Daily Report

Latin America

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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OAS To Discuss Suriname Coup Implications

FL2812163990 Bridgetown CANA in English 1330 GMT 28 Dec 90

[Text] Washington, Dec. 28, CANA—The Permanent Council of the Organisation of American States (OAS) was preparing to meet in an emergency session Friday morning to consider the political situation in Suriname and its implications for the rest of Latin America and the Caribbean. The special emergency session has been requested by Venezuela to assess the situation in the Dutch-speaking South American republic where there was a military coup last Monday.

OAS assistant secretary general, Christopher Thomas, Thursday expressed deep concern over the recent events in Suriname which he said constituted a setback for democracy in the continent. The Trinidad and Tobago-born diplomat expressed the hope that the people of Suriname would be allowed to solve their problem without outside intervention.

"(The) meeting will examine the present situation in Suriname, and it is not clear at this time what kind of results will emerge," Thomas told the Caribbean News Agency [CANA]. Thomas said that the hemispheric body, as well as the people of the continent, "have devoted so much effort to promote and preserve democracy, and we hope that Suriname would find a way to restore democracy to its people."

He said the OAS was seeking assurances that the lives of the citizens of Suriname would be protected, adding, "if this question could be settled as soon as possible, it will be important for the healing process and will avoid any implications for the rest of the region."

Paul Spencer, charge d'affaires of the embassy of Antigua and Barbuda, told CANA that Caricom diplomats based here were "in consultation about establishing a basis for a common Caricom position" on the issue.

On Thursday night, chairman of the Caribbean Community, Jamaica's prime minister, Michael Manley, deplored the toppling of the elected Suriname Government and threatened to reconsider Suriname's future status with Caricom if the government was not restored.

The 13-member economic cooperation and integration movement of English-speaking Caribbean countries has granted observer status to Suriname, Haiti, and the Dominican Republic.

CANA Correction to Manley Deplores Coup

FL2812161790

CANA supplies the following correction to the item headlined "Caricom Chairman Manley Deplores Suriname Coup," published in the 28 December Latin America DAILY REPORT, page 1:

Column one, paragraph five, only sentence, make read: Barbados Prime Minister Erskine Sandiford has called for a suspension of Suriname's observer status within Caricom institutions. (rewording sentence)

Cuba

Castro Closes Eighth National Assembly Session

PA3112004790 Havana Rebelde Radio and Television Networks in Spanish 2214 GMT 28 Dec 90

[Closing speech by President Fidel Castro at the eighth session of the National Assembly of the People's Government (ANPP) at the Palace of Conventions in Havana—live]

[Text] Comrades, I am going to speak, but this time I am going to be very brief. [laughter] I am going to speak because I have no choice. Juanito [ANPP President Juan Escalona Reguera] was saying that it was customary to say a few words at the end of the year. I have had to talk twice these past few days, first, at the computer parts forum and then at the FEU [Federation of University Students] Congress. On each occasion, I spoke about different subjects, and I do not like to repeat myself. In fact, the students have asked me to publish my speech before the FEU. I agreed to do so, and it will be published in JUVENTUTD REBELDE on 30 December and in GRANMA the following day. Tonight there will be an important activity organized by the youths. They will speak, and the things that we will hear will surely be very interesting.

The Assembly has been held, and we have discussed a very important program, so I imagine the press will cover it tomorrow. It makes little sense to deliver a speech at the ANPP closing. I believe that the food program discussions are self-explanatory. Everyone took part. I personally spoke many, many times. I figure that out of 48 hours, 24 were spent discussing the food program—yesterday, the day before yesterday, and also part of this morning. We were not even able to discuss all the topics, but everything said was of great interest. In addition, everything was said with seriousness and there were in-depth arguments. Countless hours were dedicated to the Assembly. Work was intense and we worked under pressure to finish in time for tonight's main event.

I perceive a general feeling of satisfaction among deputies and guests and people on the street. I have not been out on the street myself, but news trickles back and the people are satisfied about all the information they hear. This was possible because there was live radio and television coverage. Many people were surprised by the news. At other times these events have been covered by newspapers. Perhaps the excellent service at this Assembly could fetch me some water or something else. For some unknown reason, my mouth is dry. Can I get water or tea? [applause] We have spoken so much about the hydraulic program that my mouth got dry. [laughter] Is that what we are having for lunch? This new habit of having lunch in the middle of the Assembly makes people sleepy and thirsty. It is risky. I do not know what you are having for lunch, but there is a great cook upstairs. I generally do not stay, but a few days ago I stayed talking and lunched there. There was all sorts of food. In fact, last night we had pigs' tail, feet, and tripe. [laughter] Perhaps Luis [not further identified] thought he was obliged because of the food program. Can you imagine pigs' tail, feet, and tripe and then have to come to a meeting? [laughter] Just as well that when I was ready to doze in a nearby chair, Almeida [not further identified] woke me up. [laughter]

I was saying that I detect a feeling of satisfaction about all this work, but some people have said they knew nothing about the ANPP. These events are published in the newspapers as often as 10 times and still many people know nothing of them. They only find out about an assembly debate or an event like this if they happen to hear it on the radio or if they watch it on television. The feeling of satisfaction they experience is because they are able to see for themselves the efforts that have been made. We ourselves feel satisfied because at one of the revolutions' toughest moments we see better work, we see more efficient work, and we see that things really get done.

We could describe the things that have been organized this year and the forces that have been organized this year—and they are fully operational right in the middle of the special period—as incredible. I doubt that any country has the food program we have—any country in the world. That is the truth. There may be countries with millions of square kilometers of land, and they may be able to let loose some cattle, goats, sheep—anything—and allow them to multiply by themselves without supervision.

There are countries with many resources; there are oil producing countries that are filthy rich with millions and millions of dollars and they can buy things and import things. Small countries like ours, however, with a large population like ours....[changes thought] We have as many inhabitants per square kilometer as the PRC. Well, almost. We undoubtedly have a much higher percentage of tillable land than the PRC.

Anyway, our country today exports food for 40 million people. We must not forget that we are exporting food for 40 million people with the sugar and citrus we export. In other words, for every Cuban in this little overpopulated island....[changes thought] We are feeding 40 million people in the world and I believe that no other country exports more food per square kilometer or more food per capita with the amount of tillable land that we have. That is the truth. Our agriculture works. It is far from perfect and we hope it will work even better because not only do we produce a large amount of the food for our country, but we also produce food for four people per each inhabitant in this country.

It is noteworthy that we have such an organized country and that we are striving to implement a food production program like this one, given that we are facing a reduction of 3 million tons of fuel, and when there are so many problems, catastrophes, and instability throughout in the world.

The plans we have reviewed here for developing the hydraulic installations have no precedent. In fact, keep in mind that we are building the most difficult dams. All of the simpler ones—which dammed 150 or 200 cubic meters of water with the movement of 1 million cubic meters of earth and whose sluices were easy to build—have already been completed. A dam will be built in Llatera, which will require the removal of 4 million cubic meters of land and will dam 100 million cubic meters of water. One million cubic meters of earth removed to dam 25 million cubic meters of water. Many of the dams we are building are like this, in which we have to use cement, and which have [word indistinct]. This poses a problem because [words indistinct] and we have to build a canal which measures more than 70 km long. In sum, these are the most difficult dams and we [words indistinct].

In a single year, we are building more than what we built in the 1980-1985 five-year period. We are building a large number of canals and wells. We built wells and mini-dams where there were none. We are constructing a larger number of irrigation systems and are also constructing a large number of engineering systems for rice and sugarcane. We are going to apply these engineering systems for basic products next year. We are carrying out a program for the production of greens and vegetables. There are also programs to increase the production of rice, sugarcane, pigs, eggs, poultry, beef, and goat meat. There are also programs for the production of citrus fruits and fruits in general. Many of these programs are part of the Manati Plan.

We will plant fruit trees wherever there is room, along with forest trees. This is included in two big plans, two tremendous plans we are working on: the Turquino Plan and the Manati Plan.

The Turquino Plan has social and strategic objectives. It is important that the people return to the mountains, that the mountains are suitable for living, that the mountains have trees, forest trees, and fruit trees and that they be suitable for the production of food. It is important that the mountains have their own source of electric energy and communication. It is especially important to populate the mountains.

We are happy to report that we are already producing 50,000 cubic feet of wood from the forests we have planted. We have set up a new sawmill in Pinar del Rio and it will produce approximately 50,000 cubic feet of wood from the forests planted by the revolution.

These two plans, the Turquino and the Manati, are very important plans. These programs are being carried out everywhere in the country.

The plans for planting pasture. Last year we planted pasture in more than 13,000 caballerias. This year we planted 20,000 caballerias.

I think that we have to start planting pasture from the beginning of 1991 to be able to plant more than what was planted this year, and to do it while improving both quantity and quality because pasture now is being planted with more attention being paid to the soil, the variety of pastures and to the climate.

We are increasing the planting of legumes as a source of protein. This year we have planted 140 caballerias with [word indistinct]. In 1991 we plan to plant 1,000 caballerias, and the following, 5,000 or 10,000 caballerias, depending on the legumes used for planting.

This year we bought 100 kg of legumes. The following year we will have more than 1 ton of legumes for planting.

A special efforts is being made in all branches of the agriculture sector. In some branches we are advancing faster than in others. What is being done in Havana is revolutionary. It began some months ago. It was only until a few months ago that we fully understood the problems in Havana, the white fly and the effect of heat on potatoes, which negatively affected the country's harvest. It became necessary to do a special spring planting and we planted in spring time and all the plantations were quickly planted with pasture.

It became very evident that if the labor force problem was not resolved, other problems would not be resolved. We no longer had students available. Many of the workers were going on vacation. At a meeting at the Central Organization of Cuban Trade Unions building, we discussed a party document on this issue. That meeting took place in July. This is December. Within five weeks at the latest, 61 new camps capable of housing 310 workers each will be completed. The conditions are being created for the mobilization of 20,000 workers from the capital, without counting 5,000 or 6,000 workers who will work in Pinar del Rio Province on tomato crops to be shipped to Havana. If you could only see the changes that have taken place in that province! Workers that used to work four or five hours are now working at least eight, inspired by the noble effort of and the sacrifices being made by the workers from the capital.

They are being inspired by the long work hours, by the productivity of those workers. There has been a revolution in the province. Conditions have been created so that the province may be able to satisfy its own supply needs. In general terms, I believe that by the second half of the year, the province will be able to satisfy its own supply needs, except for pineapple and other goods it may receive from abroad, as long as there is no hurricane, a danger that, as I have said on other occasions, exists.

In a matter of months, there has been a revolution in the countryside and in the cities and this has to do not only with the number of caballerias planted, but with the quality of the planting, and in the utilization of technology. This is why I was asking Constantin Pere, the companero from Santa Clara or Santo Domingo, about cycles, about the production from a short cycle and a lengthy cycle of sweet potatoes and yucca, and other details. All this is important because

Havana Province will have to plant approximately 650 caballerias of sweet potatoes and yucca, after it plants potatoes, tomatoes, etc.

That is the only way to have enough edible roots for the second half of the year because we will have potatoes during the first half. All these details, and many more, are necessary to sow and harvest things; to sow things in flowerbeds; to fight the burrowing insect or (tetuan) as you call it. All this information is enormously important for the sowing that must be done in clean, absolutely clean, plantations. I want you to know that Havana Province once had so many weeds among the potato plants that the fields first had to be cleared with a machine. Many of the administrators told me: We sowed the potatoes and as soon as we harvested the seeds we were left without a labor force.

Not a single weed will be left among the plants now. The weeds that have to be pulled out by hand will be pulled out by hand; and the comrades estimate is that they will get 6,000 quintals or more per caballeria per province, in all the farms, because they have never had all these means and resources and conditions. This will be possible if we do not get exceptionally hot weather or something such as a winter cyclone—like the ones which have occurred here. The plantations look good. The tomatos are coming out well in Pinar del Rio and Havana. The same goes for the garlic, onions, and potatoes.

The whitefly has almost disappeared because it has a lot enemies entrenched beside it, ranging from natural products like the refuse from coffee plantations to certain biological controls and other kinds of controls. The whitefly problem is being completely controlled. There are no weeds so far, and weeds harbor all these plagues. Hundreds of laboratories were built in a matter of weeks to have all the biological means.

Plantains are being raised at a tremendous rate. I think that the plantations being built by the Blas Roca Contingent in Holguin—the first 50 caballerias will have the microjet system—are something worth seeing because each caballeria has 900 columns. You do not know if they are sowing something or if they are building a sugar mill instead of sowing a crop. The 50 caballerias for the aerial microjet system being built by the Blas Roca Contingent and the 30th Brigade will have 45,000 concrete columns. They will build....[changes thought] Two hundred caballerias will be equipped with the aerial microjet system in Havana Province and 200 caballerias will be equipped with the surface microjet system. One hundred caballerias equipped with surface microjet system will be sowed with burro-type plantain and another 100 caballerias will be sowed with burro-type plantain and raspberries. Only the state will sow 600 caballerias. You know how to add and divide, and you will be able to calculate how much plantain these caballerias can yield—without cyclones.

We are adopting anti-plague measures, preventive measures, using all kinds of products. We have asked our scientists to concentrate their efforts in the struggle against yellow sigatoka and against black sigatoka, too, because it has appeared all of a sudden in some isolated areas of the republic, like these things always happen. We are undertaking all the necessary measures to fight that disease. We have asked the scientists to make an all-out effort and study it; if necessary, we have to produce the pesticides here to control that disease. Just imagine, only the state will sow 600 caballerias with different crops and at an incredibly high technical level, and it was done in a few months. This has been since July.

Meanwhile, the comrades's efforts increased. They organized some Youth Labor Army battalions. We realized that we needed almost all the Youth Labor Army in Havana if we really wanted to have all the labor force we needed.

Right now, all the plans are ready and more than half the camps have been built, with the remaining camps already pinpointed exactly where they should be. The Council of Ministers Executive Committee discussed each and every point concerning where camps will be located and where each community and town will be. Quality scale models of each town are being made. The building of these towns will begin during the first quarter of 1991. I want to warn you, dear comrades, that this work took several weeks. This should give some idea of how fast work progressed.

This program is not just for Havana, it is for the entire country. That is why yesterday I asked the Holguin Province delegate—because at the beginning of the year we looked for all the steel we had and sent it to Holguin Province—if they could increase their irrigation area. All the available steel was sent to Las Tunas Province to deal with the drought and to build the requred irrigation system. We are pleased to hear that in a couple of years they will have nearly three caballerias, or at least two and a half caballerias for every 1,000 inhabitants. Bear in mind that I am comparing it to Havana Province, which will have about one caballeria for every 1,000 inhabitants. This will be more than enough.

We have set certain goals, but they are very modest goals. The 2,700 caballerias the cooperatives have, about 17,000 caballerias—between 16,000 and 18,000 caballerias—that the farmers have, plus the 22,000 caballerias the state has, will serve to grow our food in these approximately 40,000 hectares—slightly more than one caballeria for every 1,000 inhabitants. This will be more than enough land for the province, except for growing potatoes. Nearby provinces will grow them. We also plan to grow plantains in Ciego de Avila Province. These are crops that would be affected the most by a cyclone. The same holds true if there is a cyclone anywhere else. Havana Province can cooperate perfectly well. Between Havana and Ciego de Avila provinces we might end up with some surpluses. Under normal conditions we can export these plantains. It is expensive to build microjet

irrigation systems for plantains. More than $20,000 in convertible foreign exchange must be spent on tubing and hoses, plus the underground tubing. In addition, each caballeria uses 80 tons of fertilizer each year. I have calculated that if we export 100 caballerias of plantains we can purchase all the raw materials, pesticides, and fertilizers needed for 2,500 caballerias of plantain. This is why we are going to see if plantains can finance the convertible foreign exchange we will need for fertilizer and pesticides. I can assure you comrades that this enormous achievement in agriculture in Havana, from the moment we became fully aware of what we had—was basically only kept up by the students. We must say that about 1,000 quintals dropped to the ground in each caballeria, to be later picked up. [sentence as heard]

Agriculture in Havana Province will now flourish under these new and revolutionary conditions. I say that here is where we had the biggest problem. I am happy to learn that Las Tunas Province is going to have three caballerias for every 1,000 inhabitants. We must apply all possible techniques.

Holguin is going to have at least two. It must be taken into consideration that in your province, the rural population that is self-sufficient in producing vegetables is larger. Your urban population is smaller. Santiago de Cuba will have 1,030 or 1,100 caballerias. This will be possible, to a large extent, thanks to the efforts of the party, and to the work of Comrade Laso, who sought self-sufficiency in suplies for an area where self-sufficiency seemed so difficult.

They have an urban population of approximately 600,000 and they are cultivating food in the mountains. Havana, I beg your pardon, Santiago de Cuba can be self-sufficient with 1,100 caballerias or 1,000 caballerias because 1.5 or 1.6 caballerias provide full self-sufficiency. [sentence as heard]

We have made careful estimates about what each field can yield and how much the rotation of crops can help.

Let me tell you that self-sufficiency can be provided not with three or four quintals, but with five quintals. [sentence as heard]

The 600 caballerias planted with plantain in Havana alone should produce almost four quintals of plantain per capita. This is just one little example. The caballerias being irrigated with microjet pumps are producing 30,000 quintals. The caballerias with on-the-surface irrigation systems are producing 20,000 quintals. The caballerias planted with plantain of the burro variety are producing 10,000 quintals.

It is important that all this technology gets to you, that you implement the new techniques produced by the universities. I am happy to see clearly that we are going to have improved production in spite of a drought. Provinces facing troubles would be helped. If we have to reduce some export, we will do it. One advantage of self-sufficiency is that we save on gas. If we have a surplus of goods, perhaps not plantain but items such as sweet potatoes and yucca, we can help the pig farms. They will benefit from surpluses, including the stubble, leftovers, and rotten fruits. Pigs can be given sweet potatoes when there is a surplus and yucca. I am not going to say plantain. Plantain can be exported. It is not suitable to feed plantain to pigs.

I assure you that with the kind of irrigation that provinces are acquiring they will be able to be self-sufficient, but not at the level of three quintals. Five quintals represents a surplus. We have to reach for the sky, for surpluses, so that if there is a difficulty, we still would have enough. If we push only for what is needed and we run into a difficulty, we would run short.

You have to carefully study the variety of plants, the soil, the climate, and crop rotations. There is a more efficient plow. Do not forget. Let us see if by the next cold season we have approximately 1,000 of them. We have built some plows. When Comrade Ignacito spoke yesterday about the 276 more efficient plows, he meant to say 276 tillers for preparing seedbeds. There are two kinds of tillers: one that goes behind the new efficient plow and cuts the soil, and one that goes over the surface, cultivating it. The latter is the cultivation tiller. Havana has 66 tillers for preparing seedbeds. They are cutting devices.

We have a project for producing durable devices that will not break when they run over rocks or into any other kinds of resistance. We discussed this during a meeting with the people of Havana. We have a plan. We cannot do the same for all the provinces but we are going to see if we can make available here some 250 units of that kind of equipment. We are thinking about such a plan. There are approximately 1,000 more efficient plows now. They are easy to build. The building of the two tillers is more complicated. These plows must include the tiller for preparing seedbeds and the cultivation tiller.

We will do our best to distribute enough of them. If we cannot distribute 100 percent, then at least a sizeable amount of equipment will be distributed throughout the provinces to sow the wheat. Thus, by October, you should have the equipment manufactured by our mechanical industry. We must bear in mind that these plows not only turn the soil, but that it also compacts the soil and does many other things. Keep your eyes on the province as far as edible roots and vegetables production are concerned. The experience acquired in Santo Domingo and many other places must be used here. Everyone is working hard in the agriculture sector and looking for every available patch of land to raise things. I think this is excellent, and it has never before occurred in our country.

Since we mentioned excellent attitudes—even though I mentioned them—we must point out the attitude adopted by the people of Havana who were mobilized not only every 15 days but also for two years. They are going to work hard; they are not going to a picnic in the

countryside. The amazing thing is that they fulfill and surpass the goals—men and women alike are sent for 15 days. During the first four or five days they get blisters and all kinds of things but still fulfill and surpass the goals. They work at least 10 hours.

The contingents are more seasoned. We have sent contingents to areas where plantain crops must be sown, where hard work is necessary, and where towns must be built. We have sent a contingent wherever it is necessary to build a town. Those working on the plaintain crops will hardly have time to build houses. They need reinforcements to build the town because work in the plantain fields continues all year long. Those who work on assorted and seasonal crops will build the town when they are not working in the field. I suggest that you all follow the same principles and organize the first contingents. Then we will try to provide them—as we did with the construction groups—with the same living conditions that they had here. You know through experience that everything which starts here immediately extends to the rest of the country, and we certainly want you organize at least one contingent in each province. We must try to give them the same material comforts and the same food that the contingents have here. Those mobilized from the capital who are working many hours are being given almost the same food that is given to the construction contingents.

You may use these ideas. I have spoken about the efforts we are making with citrus. We are planning to increase, as of 1992, or as soon as we can expand what we have, the amount of land irrigated by the microjet and dribble systems. The planned increase is 1,000 caballerias annually. Next year we will be irrigating a few hundred caballerias that will be used for plantain production. We are going to have 40,000 km of hose lines. This is enough for irrigating more than 2,000 caballerias annually.

I have explained already that part of this will be maintained in storage. We do not know what would happen to rubber hoses in case of a hurricane. Other devices are safe because they are held up in the air. How will the bars resist? I think they will resist fine. How will the steel where the bunches of plantain are tied resist? When bunches weigh more than 60 pounds they make the plant bend and collapse, even without the influence of winds. In Ciego de Avila, the workers using the microjet system are producing bunches that weigh up to 100 and 120 pounds. We have estimated the damage that a hurricane can produce and we believe that it cannot destroy a plantation. We would have to repair hoses but not underground pipelines. A plantation with a microjet system can last up to 40 years. Plantations with surface irrigation systems may last 12 or 14 or 15 years.

Think about this joint effort. I wonder if there is any Third World country, or any other country, making such an effort to produce food. Supposedly, it is necessary to have an annual increase of 40 dairy farms to be able to meet the needs of the population increase. We are creating 240 dairy farms annually.

There are also installations that have nothing to do with dairy cattle. Serious obstacles must be overcome. We must resolve problems related to food, insemination, volume, and the availability of milking cows. All this requires that all provinces make a special effort. I recommend that this special effort be made because it is in these areas where we have had the most difficulties.

The executive committees have thoroughly discussed the pork issue. There are many recommendations. We also made a special recommendation. Then there is poultry.

We must win that battle in 1991. We have to win. There are technological innovations. We must introduce automatic feeding and reduce losses. We must prevent the death of piglets by asphyxiation. We must forget the system of cages mounted one on top of the other. We must substitute concrete with hollow bricks. We have to adopt such measures.

There are other kinds of problems, which I have explained here. They concern the resources to purchase grains and the arrival, unloading, and transportation of grains.

We should not have to constantly modify formulas because of their poor quality; this considerably and negatively affects production.

You have heard all that has been said about saccharine. This represents a clear possibility for implementation in the raising of cattle, which needs it the most. We must safeguard cattle, even if we must use sugarcane from the mills, although this should not be necessary. In the future, when we have more sugarcane in the mills, we can get sugarcane from there. Cattle and pigs must receive excellent protection—the best kind—to be able to have the production increases we are aiming at.

It is probable that egg consumption will be regulated because egg consumption has increased tremendously. Even if it goes under regulation, we are going to continue increasing egg production throughout the country. We are going to implement a plan that calls for an additional 700 million eggs. We are already building facilities. So we will have 3,000 or 3,500 eggs, or approximately 300 eggs per capita. [figures as heard] The 300 eggs include those used in the food industry, in sweets, cakes, and in everything that contains egg. There are social consumption eggs: the ones made available to schools, hospitals, and dining halls for workers. If we produce 30 million eggs, this does not mean that everybody is going to get 300 eggs. At least one-third of those eggs will be for social consumption, but still, ours is a high consumption figure, one of the highest egg consumption figures in the world. This should be clear. It is noteworthy that our country is able to do this at this moment.

Yesterday we were asking about fuel because dams, channels, irrigation systems, and engineering systems for rice must keep functioning. As I explained, we will have

two, or perhaps more, rice production brigades. Next year we will have at least 27, and if we try real hard we may have 30 brigades.

Next year we will build 350 harrows, twelve each month. Twelve each month represent 164 harrows and maybe one or two more. [figures and sentence as heard] We can do this for rice at least. These projects cannot be halted for any reason. I think we all clearly understand that.

The construction of embankments with rocks can be delayed a little. It can take three, four, or five more months. This is a more flexible plan. Work can be done in the spring, when dams often have to stop functioning. This work is done with rocks, not clay.

Yesterday we were studying how to prevent the following from no longer functioning: dam and channel systems; irrigation systems; gully and irrigation systems; enginnering systems of rice fields; microjet systems in plantain fields; the irrigation of citrus by the microjet and dribble systems; the irrigation works being carried out by an agriculture force, which includes more than 30 brigades working on a variety of crops; and irrigation works for citrus. None of these must stop working, and we are adopting every measure to prevent any kind of delay, even if the special period becomes harsher and even if we have to use the 200,000 oxen we are training now. Anything but a stop. This kind of activity cannot stop, just like sugar harvest machines cannot stop because they would have to be replaced by 300,000 men.

Imagine the cost of camps, transportation, food, beds, mattresses, and clothes for 300,000 men. This is why we will get fuel for the sugar harvest machines from any source. It is preferable to use bicycles for personal transportation in the cities than to have these machines stop working.

I think our people should be proud of what we are doing and how we are doing it a time when the country has less convertible foreign exchange, the trade with the socialist countries of Eastern Europe is virtually nonexistent, and the Soviet Union is experiencing great difficulties. No one would have dreamed of what we are doing in our position.

It should go without saying that the special peacetime measures—in addition to some of the characteristics for which the people praise them—allows and even forces true optimization. These measures force us to do things perfectly. We usually do many things in normal times. None of these things, however, can be done during the special peacetime period. The construction of new schoolhouses has been stopped. We can build one because it will be devoted to a special project and will replace an old one. There will be no new schoolhouses for the time being, however. We have such fine buildings already—although the number is still insufficient—and we can not afford to build any more schoolhouses for a while. We have such fine clinics and hospitals, as you have seen, that we can afford not to start the construction of any more hospitals. We will try to complete the system as soon as it is practicable. We have a great need for housing, but any houses we may build will have to be built to solve an urgent problem such as when a dam is being built and the local residents must be evacuated. We will now consider the food program and the need to keep the capital supplied. The construction of new homes has been suspended in the capital. Houses must be built, however, where there is an urgent need for them. This is the meaning of optimization. So we will have to wait for some time.

We will take care of our construction materials industry. We cannot for one second overlook the importance of a quarry, a sand bed, or a construction block manufacturing plant. We have spent more than $100 million in the past three years to have these materials available. We spent $15 million only to increase the capacity of a Mariel plant by 400,000 tons. It is already operating at this higher production level. We will even continue to build a cement manufacturing plant with the help of the metalworking industry so that we can build 100,000 homes per year as soon as possible. We have reached an impressive production capability for blocks, bricks, and tiles. We have expanded the capacity of the Antillana Industries to nearly 1 million tons. We will continue to work on our steel mills—not so much on steel rolling—because with the steel mill we have in [words indistinct] we can easily manufacture 200,000 tons of steel rods. We will proceed slowly but at the same time we will store materials so that we can resume our construction activities full steam as soon as possible. This is when we will use many of the spare hands. Some of them we will even have to send home. We will have to cut the working shifts to four or even three hours a week. The time will come when we will also have to [one-second break in transmission]. We must also preserve this industry and this store of materials for the time when we can resume our normal construction activities.

The special peacetime measures makes it possible for us to optimize our resources. Should anybody want anything pretty, I tell him to be patient. We concluded some works, such as the Concentradores market, several weeks ago. We also concluded the construction of the structure for the Pan-American Games and the congressional facilities, which will be even more comfortable. There are unavoidable commitments, where the investment is nearly complete. We are at the last stage. The special period allows for optimization. This is one of its advantages for the country's economy. The special period has forced us to buy bicycles, whose health advantages for the people have been discovered. People will no longer have to hang on to buses. When we again have more than enough fuel and when we again can operate whatever needs to be operated, we should continue to use the bicycles. I think bicycles are here to stay. In this country, which does not have a single subway and where everybody has had to use buses, bicycles were more and more conspicuous by their absence while doctors every day praised the virtues of exercise and stressed the need to fight inertia. Millions of bicycles will be put in circulation during the special peacetime period. We are

building five bicycle-manufacturing plants. I hope that someday there will be as many bicycles per capita in Cuba as in the Netherlands, which has been using bicycles—although it is much older country than ours. They are a wealthy people and one of Europe's most highly developed countries. I think they are a good example of what a developed society can do.

Do you know why they use bicycles? Not because of a fuel shortage but because they had fuel to spare and because they were poisoning their cities. Not because of a fuel shortage but because they discovered that riding bicycles was much better for their health. It is said that in the Netherlands even a number of ambassadors ride bicycles. It has happened that an ambassador was being awaited, when all of a sudden a man arrived riding a bicycle. It was the ambassador, although those awaiting him could not believe their eyes. Apparently they had expected to see him get out of a large Mercedes with three flags, but he arrived aboard a modest bicycle. He was the ambassador to the Netherlands.

We will have reason to be forever grateful for the special peacetime period. Not only that, I am sure that this period forces us to make such an effort and ponder such things that in the future the country's progress will be two or three times more rapid. We will have won the battle of the consciences—such as this one we are winning for the optimum use of natural resources—over the danger of swelled payrolls. The country will profit greatly and I am sure that our young people are responding. The university students have opened the bicycle era. We held an impressive congress with them. Not long ago we met with technicians, engineers, and representatives of hundreds of thousands of workers who are in this program and we held a forum. It was impressive. Our people are impressive. I keep in constant touch with scientists. I keep getting more and more in touch with more and more scientists. What they are doing is impressive. The role they have played here is impressive. I have heard the opinion of the people on the favorable impression caused by the scientists' speeches. Here we saw evidence that another pillar and a great instrument of the country is being built for this battle to get out of the special peacetime period as soon as possible and to speed up the country's development. This is another privileged activity. I was going to say priority and privileged came out of my mouth instead. Now that I think of it, I should have said privileged.

It is a privilege for Cuba to have the scientific personnel it has. This is why I said I would not exchange the privilege of having these scientific personnel for the privilege of having at our disposal the oil surplus of the country with the most oil. I can assure you, comrades, that these scientists are much more valuable than oil. Their value cannot be assessed; it is immeasurable. What they can give the country is also immeasurable. We have them here and working. If the country cared for the work of the scientists and the scientific research centers, this attention has now been multiplied threefold or fourfold. Previously, the scientists had to be on somebody's back to get something, such as a fermenter, a microscope, or anything else. Now the country will be on the scientists' backs to learn what they need. These things, of course, will not be to play or squander resources but to do what scientists must do at this time for their homeland and country in this special period: Win this battle and stimulate the country's development. That is one of the main priorities of this special period. Fortunately, that takes up much less fuel than the construction of dams and canals, but scientists will have the means, the equipment, and the industries to work.

Many times we have put scientists to work and at the same time we have built manufacturing plants. Every time we have had the results of a scientific research project, we have applied it to production immediately. Ah, if the socialist countries had done this, they would very likely be head and shoulders above capitalism now.

Sometimes capitalists went to the Soviet Union to buy an invention or a patent to use it, and sometimes they took 20 years. We took some time with our inventions too, but that has changed radically. That started changing since the beginning of this decade, when we discovered the possibility of making some medicines.

Sometimes the people were learning the techniques over there, and over here the equipment they were going to use was already being installed. We do not waste 24 hours and sometimes not even one hour between the time we have a scientific result and the time the decision is made to make a laboratory with a pilot plant. That activity does not depend on fuel. Comrades, that is an activity that pays for itself.

I would like to tell you that all this biology, science, and bio-technology pay for themselves in convertible assets. They no longer need loans from tourism or sugar industries. Soon they will be able to lend to the tourism industry and even to the sugar industry. It is enough to say that, starting today, science, bio-technology, and the pharmaceutical industry are self-sufficient and they get everything that is invested in them. The country no longer spends money on them; they are financially independent as far as assets are concerned.

The best working groups will be assigned to these activities once they have finished the work they are doing now or if the work has stopped. That is why when we spoke to Comrade Cardenas a few days ago about a laboratory that is to be built quickly for use by a group of eminent scientists who have made important discoveries, I told him to get the best labor force for the job, the best architects to make the designs, and the best construction crew to build the laboratory at full speed. I said the same to (Undala) in the Ciego Province: Get the best architects and the best labor force. In Villa Clara too. I said the same to Comrade Lasso on 27 December. He is going to have too many idle workers now. Lasso has constructed as many pig farms as he could in the area. He has now practically finished the pig farms, or these will

be finished at the same time the congressional period ends. I told him: Take the best personnel and the best architects to start research in science, bio- technology, and the pharamceutical industry. During normal times we could not have done this. We had a great amount of construction work being carried out. We had so many commitments we could not break.

Thousands of projects in the tourism sector, which is an important source of income, sometimes lacked the necessary labor force. We will now ensure that we have a sufficient labor force in our efforts to build as many hotels as necessary. Tourism is another activity that should be self-sufficient. I believe that tourism will soon be financing itself with convertible foreign exchange to secure its entire development regardless of the fact that we have mixed enterprises for those capitalists who wish to bring their resources and markets.

New possibilities are also emerging. Proposals are virtually flooding us for mixed enterprises, partnerships, or societies. This proves that there is trust in the revolution. This shows us that the predictions that the Cuban revolution would crumble like a house of cards were wrong. For as time passes, far from crumbling, the revolution is growing stronger and more powerful.

I can sincerely say that the current militant spirit is stronger than last year's; it is greater. This shows that we can resist and that we can do better things in difficult times. Perhaps we will do more things better as we face increasingly difficult situations. The people have already started to use oxen and grow gardens everywhere.

It is evident that the Cuban revolution is very different and that it was built on a solid foundation. Regardless of our people's mistakes—we know they exist and we notice them—the sum total of our people's virtues surpass the virtues of any people in the world. That is evident. We are not discouraged when lumpen or rats escape from boats. They must feel ashamed all their lives because they do not really escape but just jump into the water.

We will wait and see what happens in the capitalist world. We will wait and see what happens in the United States with the tremendous crisis that is approaching. We will wait and see what happens in the developed capitalist world with the crisis that is approaching.

I have not yet even mentioned the Third World. If this war explodes, which would be very bad for everyone, its consequences will also be seriously felt in the developed capitalist world and more so in the United States because this country is entering a recession.

The Third World will have to deal with the oil crisis in addition to the capitalist world's recession, which purchases a host of things from the Third World. Therefore, we shall see what happens around us. There are serious problems. The USSR has serious problems. As we have said before, however, we are hopeful that they will overcome these problems and difficulties. It is especially encouraging to know of the feelings of friendship of the Soviet people, of the Soviet leadership, and of the country's most prestigious people, independent of a group of mercenaries and poor devils who sold out to the CIA. It is a real fact that we have the friendship of the Soviet people, from the most important sectors of that great country. They have good relations with us. They love and trust us. They admire the way that Cuba acts, the dignified way in which Cuba wages its struggles, and Cuba's courage and independent spirit.

Nevertheless, we shall see what happens around us. We must be prepared. We must continue to prepare ourselves and not for even a minute rest on our laurels to ensure that we will continue to carry on our current projects even amid conditions that are worse than now. We are determined to resist at all costs. That will be the task of our parties, state, government, youth, and mass organizations. These are the tasks that we are not implementing and everyone should understand this clearly. The year 1990 has ended and here we are, firmer and stronger than ever. [applause]

The year 1991 is about to start and we await it with courage, with our heads held high, with a greater morale, with more confidence, and with more security than ever before. We will see. We will see. We have all gone through difficult times. We have rearranged our forces. We have reorganized to become tougher in all fields.

The Yankees thought we would sink. They said: With all the events that have taken place they cannot save themselves. Then they found out that we were strong militarily. Now they know how strong we are politically. They know how strong we are in getting organized and how strong we are in dealing with our problems. They believed they could and we could not. They thought that only their computers and scientists could solve problems. In the field of science, we can do whatever they do, or, at least, many of the scientific things they do and some we can even do better. In the science of politics we know more than they do. In the science of the revolution, which is the highest expression of politics, we know much more than they do.

We are a hard nut to crack not only because of the weapons in our hands but because of the beliefs of the entire nation. We will continue to be a hard nut to crack during the special period. We know what we have to do in situations such as this one and we know the policies that need to be followed. See for yourselves how we are dealing with the first phase of the special period. We have yet to turn off a single light bulb in any home. No one is unemployed. We do not have any starving citizens in the streets. We are going to have more food. At least, we will have more food of the kind we produce. We will have much more food of the kind we are able to produce.

I am sure that those who admired the Cuban revolution in the past will admire it much more in the future. The history of our nation is rich in the feats that have been carried out up to now but it will be much richer with the feats we are carrying out now and the ones we will

accomplish during this period. It will be far richer with our accomplishments in the future.

I said I was going to be brief and I have almost kept my word. I did not forget for a moment that Juanito is tense or he was tense. Much less did I forget that our duty is to be present at the big party, at the big event of our glorious Communist youth.

Socialism or death. Homeland or death. We will win. [applause]

Attends Youth Rally

FL2912134490 Havana Radio Reloj Network in Spanish 1232 GMT 29 Dec 90

[Text] Our enemies are hopeful and believe that Radio Reloj's sign-on will announce at any time the end of Cuban socialism, the collapse of the social system, and the crumbling of our ideas. We have to tell them loudly and clearly: Do not be so hopeful because you will be disappointed. This was said by Roberto Robaina, first secretary of the Union of Young Communists [UJC].

During the main Cuba Goes [Cuba Va] event held in the capital, he added that this country and its youths will never allow the people who like comfort to live off creative workers and that nobody has the right to enjoy what he has not helped create.

Referring to the Eastern European countries, Robaina said the worst mistake they have made is to go back to the past. He characterized socialism as the most beautiful dream humanity has ever been able to conceive.

Commander in Chief Fidel Castro, first secretary of the Communist Party of Cuba Central Committee and president of the Councils of State and Ministers, presided over the main UJC event, called Cuba Goes, to mark the triumph of the revolution with its 32 [years] and movin' on, which took place at the Pan-American Games installations in Habana del Este.

UJC President Robaina, making the closing remarks at the grand event, stated that in the future's path, no matter how tough the weeds are, the revolution can count on the machete the Cuban youths carry in their hands. He said: We will make the stars that refuse to shine come out; either that or it will not be necessary because we will shine like them, because no matter what, Cuba goes.

Robaina asserted that youth leaders have to be special to be able to lead special young men and women during the special period. He said the example, life itself, is the best theory and practice.

At the facilities for the Pan-American Games located in Habana del Este, tens of thousands of people dressed in the Cuban colors sang along with the performers who attended the political rally and concert called Cuba Goes, even if each one of us has to clear the jungle with our bare hands.

Adolfo Diaz Reads Food Program Report

FL2912040590 Havana Rebelde Radio and Television Networks in Spanish 1412 GMT 26 Dec 90

[Report on the developments and results of the Food Program issued by the Executive Committee of the Council of Ministers of Cuba read by Adolfo Diaz, vice president of the Council of Ministers, during the opening session of the National Assembly of the People's Government (ANPP) held at the Palace of Conventions in Havana—live]

[Text] Commander in Chief Fidel Castro Ruz, president of the Councils of State and Ministers; Comrade Juan Escalona Reguera, president of the ANPP; deputies and guests:

On behalf of the Executive Committee of the Council of Ministers, I fulfill the mission of presenting to you aspects of the Food Program and the status of its execution included in the report you have in your possession.

With this regular session ends an extensive process of reporting, analysis, and discussion of this program. Since it was included in the agenda last July, the delegates have examined the program, which involves the growth of national food production to all the livestock-agricultural production areas, the main areas of industry, construction, numerous scientific research centers, planning and designing of equipment, foreign trade—in sum, the entire economy of the country.

The delegate's visits to agricultural areas, production research centers, as well as meetings with technicians and leaders, the discussions with the participation of the party, labor unions, and other organizations in the provinces have made possible learning in detail numerous aspects of the program and its status. Part of the work carried out on the subject by the revolution under the leadership and personal attention of our commander in chief is summarized in the Food Program document.

The ideas about its solution based on equality and justice in the distribution of income and the social benefits under the specific conditions of a tropical country, which is highly dependent on its food exports to finance its foreign trade and with limited land, water, and energy resources, is in itself a historic challenge for scientific thought and the political wisdom of our times. Allow us then to briefly describe the magnitude and characteristics of the food problem and the main background information, premises, techniques, and components of the Food Program created to face the solution of these difficulties in our country.

The revolution prevented the devastating human sight of malnutrition from prevailing in our fatherland. It has also prevented the international organizations' statistics on poverty and indigence from being applied to the population of our fatherland. It has made it possible for

us to discuss today a food program to sustain and improve under a more firm basis the nutrition that made it possible for each Cuban—in real and not statistical terms—in 1989 to consume 108 kg of cereal, 51 kg of sugar, 12 kg of beans, 35 kg of meat, 230 eggs per capita, 18 kg of fish, 144.5 liters of milk and derivatives, and 17 kg grams of oils, 66 kg of tubers, 59 kg of vegetables, and 56 kg of fruits. This amounts to 2,834 calories and 76 grams of protein, 35 of them from animal sources.

The Cuban population grew by some 4 million inhabitants between 1957 and 1988. The harvested land area per capita increased from 0.39 to 0.41 hectares. This slight growth was achieved by reducing from 0.21 hectares the barren areas per capita to 0.08, compensating for not only the demographic growth but also 1.132 million hectares of land used in agriculture dedicated in these years to urban development, industrialization, roads, and water projects and the recovery of part of the 4.450 million hectares of forest areas that were cut between 1900 and 1959 through indiscriminate felling.

Although the proportion of planted areas dedicated to export funds was reduced from 57 percent in 1957 to 51 percent in 1988, and those dedicated to food production increased from 43 to 49 percent, a decisive element in the creation of the strategy of the food program, it is the high proportion of our land which needs to be dedicated to our export capabilities. Of the 6.838 million hectares of land used in agriculture, which represent 62 percent of the total land of the country, the state sector has 5.072 million hectares. The 1,332 livestock-agricultural production cooperatives have 857,000 hectares and the peasants organized in credit and service cooperatives and producers isolated in small plots have 864,000. They all should be exploited so that not a single piece of land is left without producing food and production of food for cattle is increased through the cultivation of pasture in the 2.562 million hectares dedicated to cattle, in this way, using to the maximum all the cultivable land of the country.

Some 34 percent of the cultivated land is composed of first and second rate soil and the remaining two-thirds are of lesser agriculture producing categories. Some 2.768 million hectares have problems of flooding and poor drainage and some 989,000 have various salinity levels. Because of this, in order to increase food production we need to intensify land exploitation. To do this, we need to apply modern techniques such as plot drainage, engineering systems, and the increase of availability, regulation, and reduction of water consumption with techniques such as localized irrigation, microjet and drop systems, and machine and spraying systems. It is also necessary to preserve, restore, and improve the soil by applying the available techniques that are economically efficient.

The Agrarian Reform laws eliminated latifundia and its unavoidable effects such as unemployment and underemployment. The revolution not only modified the property system and the way of life in the countryside but it has also made a gigantic effort to introduce technology and equipment in agriculture and to humanize the most difficult and rough agricultural tasks. The cane harvest has been mechanized by 62 percent and the collection is totally mechanized. All rice activities are mechanized and other crops are mechanized at various degrees. Before the revolution, we only had 1,000 agricultural experts and veterinarians. We now have 49,400 university graduates, 83,300 mid-level technicians, and 60 percent of laborers with secondary or higher education in the livestock-agricultural sector alone.

The 160,000 hectars under irrigation then are now close to 1 million and the 200,000 tons of fertilizers have multiplied up to 1.430 million.

Reservoir capacity has increased from 48 million in 1959 to more than 8.104 billion cubic meters at the end of 1990. In a number of crops, yields have increased between 1960 and 1988. In tons per hectare, sugarcane has gone from 43 to 57, citrus from 5.9 to 8.9, rice from 1.8 to 3.2, potatoes from 10 to 18.2, plantains from 6.2 tons to 7.6. Tobacco and vegetables remained stagnant, and corn, yucca, boniato, and beans dropped.

A number of technical and organizational factors in production—agricultural techniques, varieties, pests, irrigation, organization and productivity of men and machinery, etc.—have had an influence in giving results below the potential obtainable with a more efficient use of the material resources and labor force working on these products and the capacities created with the investments made. Reaching this potential and expanding it, along with the introduction of new technical and organizational elements, is one of the basic directions of the food program, in order to ensure a sustained increase in yields and efficiency in the use of soils, capacities, material resources, and the available labor force.

The food base for livestock, the source of the milk and meat products that supply most of our dietary protein, depends on feeds made from imported raw materials. These are totally imported in the case of eggs and poultry, partially in the case of milk, and to a lesser degree for pigs. Expanding the domestically produced food base, which—in addition to the traditional fodder and forage—includes growing volumes of liquid feed and molasses for pigs and feed based on sugarcane derivatives for cattle and pigs, has made increases in milk and meat production possible. This has also been supplemented by imports of finished products.

Decreasing our dependence on imports for food supply through an increase in the production of tubers, vegetables, fruit, and rice, and livestock, or the expansion of the domestic food base, supplemented by the development of aquaculture, is another of the basic directions of the food program strategy. Raising the levels of consumption of food for a population estimated to reach 11,100,000 in 1995 based on imports of food and raw materials would mean increasing current imports by about $260 million, which would then total $1 billion

annually; that is, $5 billion over a five-year period, not including inputs for agricultural production and fuel.

Even at the time when the food program was thought up four years ago, when our levels of imports were ensured and stable from the socialist community, and there were very different terms of trade from the current ones on the international market, spending an additional $260 million on food imports and raw materials would entail exporting for this purpose alone 1.2 million more tons of sugar at the depressed price of 220 pesos per ton on that market and using 200,000 hectares and the capacity of about a dozen new sugar mills to achieve this production.

Moreover, this would deepen our dependence on external sources in a sector as vital as food. Circumstances have changed since then, and the solution of increasing food imports is not only unadvisable from the economic and strategic point of view but is practically unreal. This was, and is today more than ever, the economic basis of the food program. The country's agricultural development, which is the basis for our export capacity and the people's food, is not new. After the transformations by the agrarian reform of the systems of property and the increase in jobs in the countryside, since the sixties we have undertaken to develop water resources, renovate and increase cane and sugar production, with the use of its subproducts for livestock raising. We have undertaken integral plans for poultry, milk, pigs, rice, citrus, tubers, and vegetables, reforestation, and other similar efforts aimed at meeting the food needs.

From the start, these projects were thought of, managed, and executed directly by our commander in chief at the head of each of the programs that fed this development. He knows better than anyone else their importance for our people. The scientific institutes wisely created by the revolution in the sixties, nourished throughout these years by highly skilled people who are a result of the enormous educational effort made since the Cuban literacy campaign—unique in the world—and the systematic attention that has not only created the material conditions for development but the climate of dedication to work, modesty, and social service that characterizes our scientific community, have established a new and truly original basis for our conditions as an underdeveloped country.

This effort over decades has made it possible so far—and will make it much more possible in the near future—to fulfill the potential of our agriculture and livestock raising. Sanitary protection with biological and biotechnological means, the application of modern irrigation and drainage methods, agronomy and animal husbandry, the use of cane and its subproducts and derivatives from the agroindustrial sugar complexes in animal nutrition as a supplement to fodder and a replacement for feed based on grain imports, soil restoration and renewal with methods that are alternatives to chemical fertilization, mastery and application of complex biological and nutritional techniques in aquaculture, and the utilization of alternative and renewable energy sources make science and technology the premise and decisive component of the food program.

Water management, which had disappeared years ago, was restored and revitalized by our commander in chief, not only through construction of dams and canals, but by forming new irrigation and drainage brigades for sugar and agriculture, which practically had not existed before, brigades for plot drainage of sugarcane, brigades for the engineering system for rice, brigades to build mini-dams, the creation of new factories to make Fregat-type irrigation machines, the expansion and creation of new capacity to build localized irrigation systems such as the microjet and drip irrigation. We have only to say that in the 1971-75 five-year period, 42 dams were built. From 1981 to 1985, only 18 were completed. In the 1986-90 five-year period, 53 dams, 156 mini-dams, and 200 km of major canals been completed, and there are 368 construction brigades of which 237 were added in the period of 1987-90.

Likewise, the capacity created to design and build water projects will make it possible to undertake investment worth 792 million pesos from 1991-95. This will increase reservoir capacity by 4.078 billion cubic meters with 31 major canals totalling 516 km long. The 337 mini-dams to be built by the Ministry of the Sugar Industry and the Ministry of Agriculture, with a capacity for 415 million cubic meters, will round out the facilities that will put 12.6 million cubic meters of water per year at the disposal of sugarcane and non-sugarcane agriculture. The rational and efficient use of this volume of water in sugarcane should be ensured by 201 plot drainage brigades that will finish 80,000 hectares per year and 55 irrigation brigades that will complete 66,000 hectares per year, in both cases starting in 1991; 10,000 irrigation machines will also be installed.

Plot drainage techniques, as well as the expansion of the area of cane under irrigation, will also make it possible to increase the production of cane and sugar by between 30 and 50 percent, and localized irrigation techniques for citrus will make it possible to double production, which would substantially increase our consumption, export volumes, and the country's income in hard currency.

In rice, 40 brigades will make it possible to build the engineering system on 170,000 hectares in five years. In tubers and vegetables, the microjet system for plantains and the drip-irrigation system for citrus will be used in addition to traditional methods. Investment in facilities for pig, cattle, and poulty raising will be made up of hundreds of specialized integrated centers. The construction of thousands of sheds for this purpose and the assembly of the plants to process feed for cattle will round out the facilities needed to complete the production cycle.

Likewise, the capacity for collection, refrigeration, and marketing will be expanded in order to decrease losses in the distribution of harvested crops, and we will work to

restore, round out, and expand the food industry's facilities for handling and processing agricultural products. Projects for the fishing industry are also part of the basic components of the food program. Coffee and cocoa production, as well as a socioeconomic program for the mountainous areas of the country—the Turquino Plan—are also being developed in an integrated way.

Since the initial years of the revolution, attention has been paid to reforestation in the country. During the entire prerevolutionary period, it had suffered the indiscriminate cutting of our forests. With the efforts of the forestry enterprises, the Ministry of the Revolutionary Armed Forces, the agricultural enterprises, the sugarcane enterprises, and the agricultural-livestock cooperatives, and with the participation of the entire populace, we are making an extraordinary effort in planting trees for lumber and fruit through the Manati Plan.

The Cuban metalworking industry, created almost totally by the revolution, has been mobilized to ensure, with a high percentage of nationally produced components, everything from equipment for construction workers and implements for farmers to components for irrigation systems and an enormous variety of equipment for the agricultural, livestock, fishing, storage, and industrial facilities the program requires.

Cadre policy, measures to organize agricultural production, the organization of labor and wage systems, which directly link wages to increased yields, and agricultural and livestock production, along with activities to attend to the people, the organization of contingents in new-type camps, and construction of housing in the countryside, which will stabilize the agricultural labor force, constitute, along with the temporary or permanent mobilizations of workers from the cities, the solution to one of the most serious and urgent problems in guaranteeing the program.

To reach the levels of production we are aiming for, to feed a population of 11.1 million inhabitants in 1995, we will have to produce annually 1,032,000 tons of tubers, 910,000 tons of vegetables, 610,000 tons of rice to replace imports, 1.987 billion liters of cow's milk to replace imports, 477,000 tons of meat, 222,000 tons of fish—60,000 tons of this in freshwater fish—3.25 billion eggs, and 900,000 tons of fruit, excluding citrus exports.

Starting with the rectification process, this program was given the highest priority, just as we have explained. In September 1988, Comrade Fidel personally assumed leadership of the Executive Committee of the Council of Ministers, defining and promoting all these development programs that today make up the food program, carrying out weekly monitoring of its execution.

The situation on the international level and the pressures exerted constantly by our enemies to lead our economic relations to a crisis prevent us from foreseeing with certainty the situation we may be facing in the near future. Therefore, the gradual implementation of the measures of the special period in peacetime has been an absolute necessity, and its complete establishment is a condition that will be determined by the course of events.

Our people, in response to the call by our party and our commander in chief, Comrade Fidel, is facing this with determination, integrity, and optimism, ready to safeguard the revolution's gains and socialism as our only true option for development. Given this reality, the main pillar of the program is not only what we have done to date—which has really been a lot, and we can feel proud of it—but also that we be able to consolidate efficiently what has been done in all fields and seek new alternatives to continue to move forward, fulfilling all our potential in agriculture, industry, and services, acting with clear heads, intelligence, and dynamism on the key points that determine whether we reach each of the goals, and directing with priority whatever resources we have to these goals.

The report that has been presented to the comrade deputies describes what has been attained in recent years and what we hope to do in the near and medium term, as well as what is being done to attain this. Limiting the analysis to what has been done, to the effort that is being made today throughout the country, to the priority that has been given by the revolutionary leadership to the allocation of important resources and trusting that through investments alone we will obtain the hoped-for results, may lead us to minimize the great effort we have to make.

This is a task for the entire people. A state of expectation has been created among the people about the results, and there is a desire to participate in the achievements. In the discussions in the provinces about how the program is going, an evaluation was made in each region of what has been attained. They evaluated how and toward what goals they should work. In the report, we have not dealt in detail with the yields for the different crops and livestock raising. [words indistinct] in many categories, but we do set forth what we hope to obtain with the investments we are making and will continue to make.

In addition, we should point out that although the food program is the top priority within current limitations, it will have to be done with fewer resources. Therefore, conservation, efficiency, and productivity will be essential elements of our work to reach and consolidate the goals we have set. The low yields obtained in some categories of agricultural production are the result of objective problems that have been stated.

They are also due in large part to organizational problems, lack of discipline, lack of preparation of all the factors that take part, lack of motivation of those that have to directly ensure better results, lack of suitable scheduling of the tasks, and the link with the area of the heads, experts, and work groups, lack of support in time for the forces needed to perform the task and the optimum utilization of resources—soil, water, seeds —

for a suitable rotation and with the required dynamics, as well as incorrect distribution methods.

These are aspects that limit yields, collection, processing, and distribution with high quality to the populace. These should not be evaluated over long periods but daily in order to act energetically against them. It is necessary to carry out the tasks on time and with quality and responsibility, and definitively eradicate the obsolete methods of fragmented standards, and keep in mind the final result and the resources used.

The immediate use of achievements, the ability to anticipate and [words indistinct] the objective problems that may come up, training, support and encouragement for vanguard groups, by giving them appropriate treatment and immediate use for their accomplishments, motivating the other groups with their example, have to be constant practices in everyone's work.

The resources allocated to this program have been large, and we have to utilize them to the maximum. Every comrade who works on a team, every person in charge of an area, every technician, every group working in an area, have to prepare themselves consistently and quickly to accomplish with high quality the tasks assigned to them. The strategic reasons for the program have been stated and argued very solidly. The issue is to put these measures into practice efficiently and quickly.

The time we have to implement them is short. We have to make up for lost time, and these tasks have become a main combat trench. All the time that is lost will have not only an economic cost but also a political cost that we should not sidestep. The main tasks are known to all the political and administrative leaders, and their importance to the special period has been clearly defined by our commander in chief. Along with the new things we have created and will create, it is essential to use and maintain all existing capacity, seeking solutions to the problems as our innovators [word indistinct] and rationalizers, our vanguard workers and technicians have done since the initial years of the revolution. Today as never before it is essential to do this.

As a complement to these great plans, municipal gardens, self-sufficiency, and mass promotion for planting trees for fruit and lumber have been developed. Today as never before our entire working people and our young people are participating, but we have to ensure job stability, dedication, and devotion of all forces who are waging this great battle. To this end, we have to be capable of organizing the conditions that will ensure that not a single drop of sweat will be spilled in vain.

The revolution transformed the situation of poverty and malnutrition that prevailed in our rural areas and the majority, poorest sectors in the cities under the capitalist system. Because of considerable increases and the equitable distribution of income and food, our nutritional indexes are satisfactory. They compare favorably with the vast majority of Third World countries and compare well with the developed countries. In Cuba, we can no longer talk about poverty lines or conditions of indigence.

Meeting the goals of the food program will not only mean an increase in the levels of food consumption by the populace and an improvement in its structure from the point of view of nutrition. It will also mean a considerable growth in the nation's wealth, an increase in sugar and citrus exports, an acceleration in solving of a number of social problems, and a decisive step in gaining our definitive economic independence, with the expansion of the domestic base of our food production, and the reduction of our dependence on foreign trade.

The enormous potential shown by the food program is a result of the work of the revolution in the economic and social spheres. The possibility of fully using this potential will also be the work of the revolution, fostered by the talents it has rescued and the intelligence it has cultivated and the ability to integrate all the country's resources and mobilize all its forces to resolve in a historically short period of time the complex, difficult problems of food production.

Only under the socialist regime gained by the Cuban revolution is it possible to fulfill the exhortation of the apostle of our independence [Jose Marti] when he stated that all forces should be aimed at agricultural progress, all decrees at [word indistinct] it, all arms at obtaining it, all minds at helping it. The need to continue to make the enormous effort involved in carrying out the food program under the difficult conditions of the special period in peacetime imposes a hard task on us.

We would like to conclude by repeating the words our commander in chief said at the event marking the 30th anniversary of the Committees for the Defense of the Revolution, when he stated: All of us together are going to confront this. All of us together are going to shoulder this burden. All of us together are going to save the country. All of us together are going to push all those activities that will make it possible for us, in the future and working as we should under these circumstances, to find definitive solutions.

We now have to think that some day we will win our total economic independence, at whatever cost it takes. And we are going to win it. Life will impose this trial on us, but we are going to come out of it much more mature; we are going to come out of it much stronger; we are going to come out of it much freer. Socialism or death, fatherland or death; we will win!

Eighth ANPP Session Debates Reported

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[Editorial Report] Havana Rebelde Radio and Television Networks in Spanish at 1355 GMT on 28 December begin live coverage of the third and final day of the

Eighth Session of the National Assembly of the People's Government (ANPP) from the Palace of Conventions in Havana.

At 1400 GMT Fidel Castro and ANPP President Juan Escalona Reguera enter to applause and take their seats. Escalona Reguera welcomes the delegates and notes that there is a quorum of 446 deputies, 88.4 percent, present as required.

Escalona Reguera gives the floor to Orlando Lugo Fonte, president of the National Association of Small Farmers (ANAP), State Council staff member, and Communist Party of Cuba (PCC) Central Committee member, who begins a report on the work of peasants and workers in cooperatives, enterprises and work contingents.

Lugo Fonte gives numerous statistics on the numbers of peasants, cooperatives, land under cultivation, and other statistics.

He says there are 1,333 livestock-agricultural cooperatives in the country in the various areas of productions with a total of 63,000 cooperative members. He adds that there are 1,917 credit and service cooperatives with some 70,000 individual peasants. Lugo Fonte explains that 407 livestock-agricultural cooperatives harvest sugarcane. He says this year cooperatives should deliver some 1.1 billion arrobas of cane with a yield of 71,000 arrobas per caballeria.

Lugo Fonte goes on to state that in line with Castro's guidance, the ANAP created a movement to try to produce 100,000 arrobas of cane per caballeria. Lugo Fonte states that some 1,350 peasants exceeded the 100,000 arrobas of cane per caballeria goal during the last harvest season. He explains that cooperatives that plant cane cannot plant anything else other than cane and that any change has to be authorized by the Sugar Industry Ministry. He mentions that 70 percent of the cane harvested by cooperatives is cut by machines.

Regarding tubers and vegetables, Lugo Fonte notes that peasants and cooperative members play an important role. Some 14 million quintals of tubers and vegetables should be produced in 1990 although they had expected to reach some 18 millions, he says. Lugo Fonte blames the weather and white fly and other diseases for this. He also notes the upcoming challenges of the winter season and the need to prepare for the cold season.

Lugo Fonte then turns his attention to efforts of the cooperative, small farm and peasant sectors to deal with the special period. He notes that there are energy saving efforts underway in many areas. He points out efforts to increase the numbers of oxen and the use of ox teams in agricultural work.

Lugo Fonte notes efforts to improve the lot of peasants, particularly in their food supplies, through, for example, increased amounts of chicken for their food.

He states that the peasants are always at the side of the revolution, their commander in chief and the party and says that the peasants have benefited tremendously from the revolution. Many peasants are owners of their own land and still enjoy many benefits from service cooperatives. He notes that there are many efforts to benefit the peasants through schools, medical services, government programs, etc. He says that the peasants are grateful and are working with great responsibility.

Lugo Fonte ends his report at 1430 to applause.

Escalona Reguera invites delegates to make comments or ask questions. One delegate from Camaguey notes milk deficiencies in his area. He states that often there are not enough bottles, or bottles are returned so filthy that they cannot be used. Escalona Reguera calls on Comrade Roca of the Ministry of Food Industry. Comrade Roca says that there were problems with Cuban-made bottles. A large quantity have been received from the USSR. An effort had been made to get more from Spain and more have been bought from Argentina. Next year the USSR will send 20,000 more bottles so the problem should be completely eliminated.

A delegate from Guantanamo notes negative tendencies in the sale of meat through the parallel market. A delegate from Havana statesthat the comrade from Camaguey addressed two problems and that the second, the question of late milk pickup, had not been addressed. This has led to losses in milk.

Lugo Fonte responds that peasants from agricultural cooperatives do not sell meat on the parallel market. He has attended meetings where such shortcomings had been discussed and there had been total agreement not to continue such practices, such as selling meat on the streets. He says that efforts are underway to eliminate all free sales of regulated items, but that the peasants were confronting this problem with great responsibility. Responding to the delegate from Havana, some 600 cooperatives had been experiencing some financial problems, but these have been addressed and there is great progress. There is a vanguard movement within the cooperatives and the number with difficulties has been greatly reduced. At 1445 GMT he concludes.

Escalona Reguera notes that the problems discussed had been the subjects of serious talks in the Council of Ministers and assured the delegates that these matters were being studied and worked on.

At 1445 GMT a delegate from Ciego de Avila takes the floor. He states that as peasants who are grateful to the revolution, they have been working with a lot of dedication. The delegate says that one of the most serious problems in agriculture is low yield. He notes that some 22,000 caballerias are planted in the state and peasant sector and he believes that yield did not surpass 2,000 quintals per caballeria this year. He says the state should make forceful demands so that the set yields are achieved in each one of the agricultural areas.

He supports Castro's remarks that the agriculture sector is not going to get a single additional tractor. The deputy

says the special period has taught them a lot about saving and making good use of available resources. The Ciego de Avila representative also refers to the efforts cooperative members have to make to prevent criminality. He suggests that something is be done to force people who do not work to get involved in a work center.

At 1450 GMT a delegate, from Havana, takes the floor saying she wishes to express her constituency's deep satisfaction with the very detailed attention given to the food plan. She says that Cubans love their land and their revolution and that the special period is a time for great unity and responsibility.

At 1453 GMT Escalona Reguera invites delegates to comment of the Turquino Plan for rural development. A delegate from Guantanamo speaks noting that the Turquino Plan is of great importance to the country. She asserts that there have been difficulties, but the benefits of the plan do not touch merely those people who live in the rural, mountainous zone were the program is centered. She says there have been benefits in coffee, cocoa, and other agricultural sectors.

Another delegate notes that there has been great benefit to the people in the isolated area. The isolation has been reduced and development has been advanced, thanks in large part to the efforts of the commander in chief. Coffee production has increased greatly. He admits that there are problems, some people take advantage, but this is being addressed and resolved. He notes that the Agricultural Ministry has helped with peasant housing and urges that more attention be given to housing among workers in the isolated zones. Some crops that were not the best were planted and that should be corrected, but he thanks the commander in chief for all the good efforts which should move forward.

Escalona Reguera notes that the 93 presidents of the Peoples' Councils of the City of Havana are present as invited guests. They are greeted with applause. He then grants the floor to a comrade from Guantanamo. The delegate notes that he is from a mountainous area and that the Turquino Plan has been of great benefit. He recalls a visit from Fidel when the plan was launched and he says that the peasants have been working hard to fulfill the challenges that Fidel gave them. He says that the results have been, overall, positive. He notes success in housing, electrification, rural hospitals and pharmacies, primary and secondary schools, culture houses and sports centers. This has improved the quality of life in the area. Coffee production has improved and this has helped. The revolution is present in the mountain areas bringing benefits to the people. This is helping to end the exodus of people from these areas and some have even come back. Escalona Reguera asks the delegate if the coffee and cocoa plan was fulfilled and the delegate responds that they were.

A delegate from Manzanillo is recognized and he gives as an example of the work of the revolution and socialism a hospital in the rural sector where important work is going on. The hospital used to be accessible only by horse. Now there is a highway. There is even a young man from the mountains who became a doctor and returned. This is socialism and this is why everyone is ready to die for socialism because of what it has done for the people.

Other delegates give examples of benefits to the mountainous, isolated areas from the Turquino Plan, noting better schools, more families, better infant mortality rates, etc.

At 1518 GMT Castro speaks for the first time to ask about details concerning infant mortality. He asks if Villa Clara and Sancti Spiritus have enjoyed similar improvements and dialogues with a delegate from the latter on infant mortality there. Castro then turns to the subject of microjet in plantain production in the province. He asks for a report from a delegate from Escambray, which is a small area in the Turquino Plan area.

At 1530 GMT Castro asks for reports on the Manati Plan and several give reports with positive results. Some give figures on the number of trees, including fruit trees, planted in their areas.

At 1550 GMT Escalona Reguera calls on Ignacio Gonzalez, minister of the steelworking industry, to explain how his ministry contributes to the food plan. He explains that his ministry gives mainly, indirect support in the form of production of farm implements or spare parts for farm machinery.

At 1556 GMT Castro interrupts Steelworking Minister Gonzalez to note the production of equipment in support of the expansion of new technology in agriculture, as an example he points to the production of microjet equipment for use in plantains and eventually in citric fruit. Gonzalez then continues with his report. He reports advances in specific areas, such as improved wire production, and specific factories. Castro interrupts to state that a great deal of the steelworking sector's production goes to support agriculture. Gonzalez also points to the production of pumps to support agriculture. Castro comments that his work and report has been very good.

At 1607 GMT Escalona Reguera says that he is very pleased as ANPP president over the very detailed discussion of the last two days on the food plan. This shows the great attention of the ANPP, the government, and the party to this area. He notes that there are other experts from various ministries who are prepared to speak, but time does not permit. He notes that the deputies have the essence of what they would add in the reports that have been submitted to the assembly.

He then proposes that the deputies accept the report of the Executive Committee of the Council of Ministers. He reads a proposal: "That the ANPP agrees that: first, to support the measures being carried out by the Executive Committee of the Council of Ministers in the work related to the national food program; considering that

these measures are based upon objectives that will make possible the meeting of production that will satisfy the necessities of the Cuban people and that, additionally, demonstrate the justice of the socialist system that has made possible, despite the difficulties that we face, the waging of this battle for our definitive economic independence. Second, to recognize and congratulate the efforts that are being made by the different cadres, experts, workers, and peasants in activities connected to the national food program, as well as the work of scientific institutions and the enthusiastic and responsible incorporation of all workers and our people, headed by the various types of contingents, in the various tasks that comprise the national food program. Socialism or death! Fatherland or death! We will win!" The proposal is signed by the ANPP. The vote is affirmative.

At 1615 GMT Escalona Reguera calls a 30-minute recess.

At 1644 GMT Escalona Reguera calls the session to order. Fidel Castro is present. Before proceeding, Escalona Reguera states that the work of all but one sector in the food plan was noted, and he apologizes for not mentioning the important work of the armed forces. He is interrupted by applause. He says that he accepts this applause as delegates' authorization to thank the armed forces for their work on behalf of the ANPP.

The next item on the agenda is the report from the Province of Villa Clara. The president of the Provincial Assembly of Villa Clara begins reading a report on the period from 1982 to 1990. He notes that the government organs of Villa Clara have been making great efforts to address shortcomings and move forward according to plan. He provides statistics related to production, noting that Villa Clara, which is based on sugar production, produces some 11 percent of the national sugar crop. In industry there has been research, investments, and construction of a cement factory, a bicycle factory, and factories for materials for construction. He goes on to point to advances in the provincial medical sector, and increased fruit, milk, and pork production. He emphasizes the work of brigades and contingents on highway and bridge construction in fulfilling the provincial tourism plan. He says that the delegates may be assured that the people of Villa Clara are doing their part to fulfill national goals and plans, defense readiness, and socialist internationalism. On behalf of all the people of Villa Clara, he thanks the commander in chief and expresses readiness to die at his side in the defense of socialism.

At 1715 GMT an ANPP delegate reports on the visit of an ANPP delegation to Villa Clara. He praises the great efforts of the Villa Clara sugar sector despite the bad weather and states that industrial production is up over 1981 production results. Regretably, there have been quality problems with some export items, but this is being addressed. Cattle breeding has not given positive results because of inadequate attention to fodder production and inadequate care of animals. Infant mortality is down in the province due to improvements in the medical sector. Several improvement projects have not been finished in the swine, sugar and industrial sectors. One water purification plant remains unfinished so water quality remains low. Education efforts have produced good results. There have been advances in the culture and sports sectors. Good work has been done in the defense sector. Greater efforts are needed to face the special period, particularly in the greater use of animal traction and efforts to reduce use of petrol, and coal and use more firewood where practical in homes, work centers and certain industries. The ANPP delegation recommends:

1. To analyze the existing problem of water supply to the population and the possible alternatives measures to apply under the current conditions;
2. To determine the most critical areas related to production of coffee, tubers, and vegetables in the mountains;
3. To evaluate the work needed in the cattle sector;
4. To incorporate the recommendations of the deputies at the time of their visit;
5. To report on how they plan to implement these recommendations. He proposes that the ANPP recognize the good efforts of the people and government organs of Villa Clara.

At 1725 GMT Escalona Reguera invites delegates to make comments. Several deputies who were part of the ANPP Commission that visited Villa Clara share observations on their visit. Among other subjects, they note efforts in self-sufficiency, reforestration, mini-brigades, culture and sports.

At 1736 GMT Castro asks a delegate from Havana for his observations on reforestration in Villa Clara. The delegate reports enthusiastic work and good results.

At 1741 GMT Escalona Reguera reports on housing constuction efforts in Santa Clara. At 1743 GMT he gives the floor to the head of the construction brigade for a progress report on highway construction. The official notes advances in the work and describes efforts to cope with the special period. He points to measures designed to make life better for the workers and to conserve resources. Another official appeals to Castro for help in resolving quality problems with tools, machinery, and repairs that inhibit production. He mentions problems related to saws and sledgehammers. Castro interrupts to ask a question about hammers. He then asks about the progress on one particular highway that would allow access to a beautiful beach for tourism.

At 1807 GMT Escalona Reguera calls on the head of a research unit in Villa Clara for a report. He begins discussing cattle breeding, fertilization and other issues related to the food plan.

At 1815 GMT Castro interrupts the research center official to begin a dialogue on specific research and work projects. The discussion touches on reforestration, plantains, cotton, tomatos, and other crops, the number of caballerias planted in certain areas, etc.

At 1827 GMT Eascalona Reguera notes that, unfortunately, time does not allow for further discussion of the Villa Clara report. He calls upon the deputies to approve the report from the Province of Villa Clara and the report of the ANPP commission that visited the Province of Villa Clara. The proposal is approved.

Escalona Reguera then calls a two-hour lunch recess and announces that the working session will resume at 2030 GMT.

Afternoon Deliberations Resume

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[Editorial Report] Havana Rebelde Radio and Television Networks in Spanish at 2025 GMT on 28 December begin live coverage of the afternoon meetings of the third and final day of the Eighth Session of the National Assembly of the People's Government (ANPP) from the Palace of Conventions in Havana.

At 2030 GMT Fidel Castro and ANPP President Juan Escalona Reguera enter to applause and take their seats. Escalona Reguera welcomes the deputies and calls the session to order. He says that given the very difficult international situation in which Cuba does not know precisely what to expect in the way of foreign trade and assistance, he wishes to make a proposal. He asks that the deputies adopt the economic plan for 1991 as proposed and, second, empower the Council of Ministers to adopt the necessary measures to facilitate the fulfillment of that plan as the situation requires. He calls for a vote and both proposals are approved.

Escalona Reguera then recognizes a deputy from Havana who begins a report on municipal governments and efforts to improve their work. Another deputy notes that much work needs to be done to improve the work of municipal assemblies.

At 2045 GMT Escalona Reguera notes that a group of deputies has been formed to study this matter of the Municipal Assemblies and Popular Councils and to report on this matter to the Fourth Communist Party of Cuba (PCC) Congress. He notes that there is no proposal on the table per se. He calls upon a member of that study group. This deputy presents her observations. She notes that there is an insufficient legal basis for the system of municipal and municipal-based popular authority. She relates a visit to a factory where they could produce materials to replace imported items, but they had been unable to get necessary cooperation, such as from the electrical authorities. The municipal authorities could not help in this matter. This, she feels, shows some of the shortcomings of the current system of municipal authority. Another example is their groupings finding that in many municipalities there are up to six drivers for every ambulance. It would take an ANPP commission months to study this and transfer the excess workers, whereas this could be done easily at the local level if the system were functioning correctly. This excess of workers was also found in the public health sector related to nurses and nurses aides.

At 2055 GMT Castro asks what the ambulance workers do when the ambulance has broken down, or where they can be transferred. The deputy says that they are transferred into whatever work they are qualified for. Castro converses with her for several minutes, mainly concerning the health sector in her area. He also asks if her observations on the municipal authority have been discussed in the provincial assembly.

At 2105 GMT Escalona Reguera calls on the deputy who presided over the ANPP study commission on municipal authority to speak. The deputy says that the assignment of the group was to study the relationship of the municipalities to national entities and the flexibility to effect local changes that would allow the improvement of production or services. He notes that the results were disappointing and says that one element that was not included in the report was the matter of the Popular Councils in the city of Havana, which seem very capable of getting results.

Castro then asks for comments from a deputy. She notes that there are necessary limitations, for example, in the matter of wood. All wood is, in essence, assigned. It can not be reassigned. Examples of not being able to reassign wood do not apply since this is a matter of national policy. Escalona Reguera interrupts to note that the municipal authorities may be talking about a minimal amount. Castro interrupts to say: "Sir, disorder is disorder, and I am opposed to disorder." Escalona Reguera agrees. Castro notes that even if they are only talking about a half of a cubic meter it would mean disorder. Castro calls on a deputy from Havana who recalls that once a contingent had to put some construction materials in storage because of lack of transport, but then the municipal authorities distributed these materials and the project was thrown off schedule. Castro says he would be concerned to have municipal authorities entering into a national hospital, national enterprise, or production center and have them start distributing things. He says that he agrees with the deputy who says that the concept of peoples' power needs to be studied, but notes that everything in Cuba falls under the peoples' power. Thus the concept of peoples' power is inflated. Castro notes that he is talking to the entity of the peoples' power, but that this concept is misunderstood and inflated. Castro says he is concerned to have, for example, two of every three workers in services and only 1 producing goods. That may be great for a developed country and he will be thrilled when Cuba arrives at that time, but now this is not a sign of success but a problem, an absurdity. He says that Cuba should have its workers in production, not in services. He talks extensively about the example of child care centers and the number of people working in them.

Castro goes on to note that even the PCC found that it had too many people working for it. This is the party, the PCC. The party is just short of sacred, Castro notes,

because it has done more for the Cuban people than any other entity. And these were excellent people, magnificent people. This is what is needed for the production sector, people. In every production plan what is lacking is people. Castro says he does not want to be critical but this is where Cuba needs to go. At 2140 GMT Castro concludes.

A delegate from Havana is recognized and he thanks Castro for his remarks and assuring him that no one the statement as critical but, as always, a great help. He considers that some decisions have to be more centralized now that there is a special situation. They have to legislate—keeping in mind the current situation.

At 2146 GMT Escalona Reguera reminds the delegates of their commitment to attend the Cuba Goes [Cuba Va] rally being sponsored by the Union of Young Communists in just a few hours. They had expected to have the whole day to discuss issues on the functioning of government, but the morning was taken up by other matters. They had never expected to reach a consensus about the issues presented in the assembly document. The idea was that it is now impossible to seek solutions at the municipal level for problems that are present at the provincial level. We are all horrified by the bureaucracy of the municipalities, but the provincial bureaucracies are worse. We cannot, however, immediately lay off surplus government officials. Escalona Reguera comments on the recommendations made by the ANPP deputies. He then calls for a vote on the commission members' ability to continue their studies on the concept of peoples' power. He says that any comments or suggestions are welcome and should be directed to the offices of the ANPP but, if the deputies agree, they must move forward now. The proposal is approved.

Castro says that the deputies should at least be able to vote on the matter. Escalona Reguera says that they did vote so they could continue. Castro said he was in agreement with that and added his vote of confidence. Escalona Reguera expresses his gratitude. Castro says he is not very sure about two things, and it has nothing to do with the vote. Castro says he thinks that the ANPP would do better to undertake studies and to make suggestions on the concept of peoples' power because the ANPP would not be able to make final decisions because the ANPP itself is in the special period. In this situation things can get complicated even though one never loses hope that the effects of the special period can be reduced to a minimum. Castro says he finds himself with people who say this or that about the special period. Some say: "Why did you not declare the special period before?" Castro notes: "They put the blame on me for the special period." "Then this other one says no, no, no, the special period has not started yet." "In this moment, more than ever, we should apply and explain the principles and the concepts of the economic direction and planning system." "Really what we are explaining are emergency measures." This is what happens under extraordinary circumstances. "What I hear includes what they say about the Soviet capital right now, the problems that they have, that it is difficult to find eggs or some products. That is what they say, no? I think they themselves have rationed a lot of things" Castro says that prices could be raised or allowed to go up. That is the situation in most of Latin America. People can not buy necessities. That is a classic method. Castro says that even if an economist has studied many years, and he wants to do this, he should go study more. Castro says that he appreciates everyone's patience, adding that they may arrive late for the Cuba Goes rally. "What we need to do is think a lot. Think a lot. Above everything, think with our own minds and think ten times everything that we do. This is what life has taught me. The system is there to be built." Castro laughs and apologizes for going on and making everyone late to the Young Communists rally.

Escalona Reguera calls for a vote on the "suggestion" by Comrade Fidel that they continue studying the idea of peoples' power in the provinces. The proposal is approved.

Escalona Reguera notes that there are two final points. The deputies have in their possession a number of documents, one relating to the international activities of the ANPP during the year, and a report on the state of implementation of the business adopted during the last session. There are also several proposals related to changes of presidencies in the permanent commissions of the ANPP, etc. There is the proposal to place in the presidency of the Cuban parliamentary group Comrade Zoila Benitez, as is customary, given her position as vice president of the ANPP. "Finally, I call your attention to, despite all the announcements of the blockade, of a circle around Cuba, of its abandonment, etc. We can have the satisfaction that, in response to the decisions adopted in four parliaments of the world, we propose the creation of four groups of parliamentary friendship with the following countries: Peru, Libya, Greece and Ecuador . This means that this blockade has not arrived as far as these countries."

Escalona Reguera says he has not received any comments on any of these matters that he has mentioned so he calls for a vote if the deputies agree to them. All are approved. He asks for comments on the report received from Comrade Fidel Castro of the Council of State on their actions from 11 June 1990 to 25 November. He notes that the State Council authorized by decree on 1 October an experiment in the city of Havana for the functioning of peoples' councils. He asks for comments on these reports. He calls a vote to approve the report. It is approved.

Three proposals remain which are traditionally adopted in the December session. ANPP Vice President Zoila Benitez presents a motion that the Province of Sancti Espiritus present its provincial report in next year's session. She presents a proposal that the sugar industry give its report on its activities at the next session. She also moves that 1991 be named "the 33d year of the revolution." All proposals are approved.

At 2213 GMT Escalona Reguera gives the floor to Commander in Chief Fidel Castro.

Egg Distribution Debated

FL2812173290 Havana Radio Rebelde Network in Spanish 1320 GMT 28 Dec 90

[Report by Gisela Bell Heredia—passages within quotation marks are recorded]

[Text] Egg distribution was one of the most controversial subjects during the analysis of the poultry sector done by the deputies during the second day of this National Assembly of the People's Government [ANPP] period. Deputy Luisa Hernandez from Taguasco initiated the debate.

[Hernandez] "Taking into account that eggs have always been sold freely, that the population has obtained them in the amounts they need and [word indistinct] and that the sale of canned and other meat goods has decreased, the demand for eggs has increased. Because of this there are not enough eggs. This is the problem. We would like an explanation on why these measures cannot be taken everywhere, even when we know that there is no uniformity in the way they are distributed in the units. The rationing measures have been received very well by the population in places in which they have been distributed in a controlled way. This calms all the irritation and solves the lack of control that is produced in the units in which it is not controlled in that way."

[Castro] "It is true that meat product amounts have decreased. Meat that came from various sources is no longer available. Many things have been placed in the ration book. Other things were left out. It could be that speculators, linestanders [coleros], and all types of shameful individuals could also been interfering and creating problems. The oil shortage [may have had an effect]. Any of these things or a group of these things could be influencing this situation. I do know that there was a quick increase of egg consumption this week or on the last few weeks. Is this not true, Lage? What is the situation that took place?"

[Lage] "From the beginning of the year when the measure was taken, each province was able to make the decision to control the sale of eggs. This is why some provinces did it and others did not in line with the capabilities, production, and situation each territory had. Several did not do it. Among them is Havana City, which is logically the greatest consumer of eggs. Production has increased through the course of the year. This year, some 60 million more eggs will be produced compared to last year. It is not the increase plan that, if I remember correctly, was around 300 million but production will increase."

After several people referred to this, the commander in chief spoke again.

[Castro] "I remember we had the same problem with yogurt here recently. [Words indistinct] of rationing yogurt. Many consume it because children are allergic, for health reasons. It is almost more medicine than food although it is food and is good. We made an effort. We decided to allocate 40,000 more liters of milk for yogurt to see if the increase of production alleviated the inconveniences of rationing. It is always better to prevent this from happening in some of these goods because the situation becomes complicated later, especially in cases such as yogurt because of the characteristics I mentioned.

"We cannot do this right away with eggs because it depends how the poultry farms are doing, the efficiency, the arrival of animal feed, and how the best formula is achieved. Hens have been producing less because of the constant change of the animal feed formula. The constant change of animal feed is due to the arrival of the different components at different times. A constant formula has not been achieved because it is not the same thing to work with 100 tons of reserve than when those 100 tons of raw material are not available in reserve. This is the truth. This is why the work is much more difficult. Nevertheless, we are thinking about what to do, what to do [repeats] to improve that quality of animal feed a bit because it has an effect in poultry and eggs. We do have hens but they are not laying as many eggs as they should."

The ANPP recommended to the Executive Council of the Council of Ministers to study this situation. The Eighth Session of the ANPP will continue today at the Palace of Conventions.

Bulgaria To Continue Trade Relations

PA2912180290 Havana International Service in Spanish 0100 GMT 27 Dec 90

[Text] Bulgarian Ambassador to Cuba (Kiri Slavkov) has said here in Havana that his country will continue its trade with this Caribbean island under the present conditions and with the implementation of new economic mechanisms.

He added that in early 1991 a joint commission will analyze aspects of the cooperation program, taking into consideration, among other things, international market prices and the mutual convenience of trade.

The most important thing for both parties, commented the Bulgarian ambassador in Havana, is to continue the present relations and to face any difficulties with a just and realistic evaluation in accordance with the present times during which cooperation is indispensable.

Mozambique Condemns Student Disturbances

FL2912125790 Havana Tele Rebelde Network in Spanish 1200 GMT 29 Dec 90

[Text] The Council of Ministers of Mozambique has strongly condemned actions carried out by Mozambican students in two Cuban student installations which left

one dead and several injured. That government organ headed by chief of state Joaquim Chissano repudiated the disturbances and decided to send a delegation to Cuba to investigate the events and to take the appropriate measures, says a report published by the Maputo daily NOTICIAS.

The Council of Ministers of Mozambique also expressed its deep gratitude to and admiration for the Cuban people for their great solidarity with that African country.

Barbados

General Elections To Be Held Jan 22

FL2912175090 Bridgetown CANA in English 1617 GMT 29 Dec 90

[Text] Bridgetown, Barbados, Dec. 29, CANA—Barbados will hold general elections on January 22, the government information service reported Saturday.

Nomination day is January 7.

Government Calls For Sanctions Against Suriname

FL2812144290 Bridgetown CANA in English 1140 GMT 28 Dec 90

[Text] Bridgetown, Barbados, Dec. 28, CANA—Barbados has called for the suspension of Suriname's observer status with Caribbean Community [Caricom] institutions because of a Christmas Eve coup by Army officers. Barbados has also recommended that members of the 13-nation English-speaking grouping make no effort to deepen relations with the former Dutch colony in South America.

In a statement released here Thursday night, Prime Minister Erskine Sandiford said: "The recent news out of Suriname represents a setback for the democratic movement in the region. I deplore the overthrow of the democratic government of Suriname by military officers, and I call for an immediate restoration of the Constitutional authority in that country."

Sandiford said he would be proposing to his colleagues in Caricom "that until there is a return to democratic government, the observer status granted to Suriname within institutions of the community should be held in abeyance and that there should be no deepening of relations with Suriname in the present circumstances."

Chairman of the Caribbean Community, Jamaica's Prime Minister Michael Manley, Thursday night deplored the toppling of the elected Suriname Government by the military and threatened to reconsider Suriname's observer status to Caricom.

"We strongly deplore this unconstitutional suppression of the democratic process in Suriname—a process which had provided a favourable climate for advancing the welfare of the Surinamese, as well as strengthening Suriname's relations with Caricom," Manley said.

"The Caribbean Community urges that there be full restoration of democratic and Constitutional government freely chosen by the people of Suriname," he said in a statement issued by the official Jampress News Agency.

Haiti

Aristide, Trouillot Discuss Transition

FL2812192190 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 28 Dec 90

[Text] The secretariat of Father Jean-Bertrand Aristide has published a communique on his meeting with Mrs. Trouillot:

The secretariat of the elected president of the Republic of Haiti greets the newspapers and the radio and television stations, and announces that Father Aristide met with the president of the provisional government, Mrs. Ertha Pascal Trouillot, at the National Palace on Monday, 24 December.

The president of the provisional government offered her congratulations to Father Jean-Bertrand Aristide on his victory in the 16 December elections. Mrs. Trouillot said: I assure you that my government, as well as myself, have taken all steps to hand the power over to you under the best possible conditions and without affecting the ultimate interests of the state in any way.

Father Aristide and the provisional president agreed that between now and 7 February there will be two teams working on the manner in which the provisional president will hand the power over to the elected president. Father Aristide will choose his own people for his team, and President Ertha Pascal Trouillot will choose hers for the other team. These two teams will scrutinize the dossiers of the public and parapublic administration, and the government enterprises. Father Aristide emphasized that this transition must be accomplished in compliance with the Constitution and the 4 March agreement that instituted the State Council.

They discussed other issues, including contacts that Father Aristide has to make with the Haitian Armed Forces military departmental commanders, and the personal security of the elected president. They also discussed premises for his provisional secretariat, and invitations to the 7 February inauguration ceremony when the presidential power of the country will be handed over to Father Aristide.

The president-elect was accompanied by lawyer Monique Brisson during the discussion, as well as during a short visit to the National Palace.

The secretariat of the president-elect of the republic takes this opportunity to assure the newspapers and the radio and television stations of its cooperation with the press.

The communique was signed by Renaud Bernadin for the secretariat of the elected president of the republic.

Heavy Weapons To Be Transferred From Palace

FL2812192590 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 28 Dec 90

[Text] The Haitian Armed Forces general headquarters advises the public, in a note published 27 December, that heavy weapons will be transferred from the headquarters of the Infantry Unit [National Palace] to the Application Camp on the Freres Road in Petionville. The transfer of these heavy weapons will begin today.

These heavy weapons were often used for preparation or achievement of coups d'etat in the past few years.

Human Rights Report Through Nov 1990 Issued

FL2912173090 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 28 Dec 90

[Text] Human rights violations, including illegal arrests, arbitrary arrests, assassinations, and attacks number 1,264 in Haiti for 1990, not including the current month of December, according to a statistical report published by the Lafontant Joseph Center for Promotion of Human Rights [CLJPDH].

Three-fourths of the assassinations were committed by armed bandits acting freely, by day as well as by night. Most of these attacks, illegal arrests, and arbitrary acts of violence were committed by the Army, the police, and their agents. The justice system even encourages them in many cases, according to the CLJPDH.

The Haitian Government employs a number of people who work for their [government's] political aims. The Army, the police, their agents, the civil population, and the justice department are the principal sources of human rights violations in Haiti, according to the 17-page document that reported 496 [arbitrary] arrest cases, 420 cases of attack, and 348 assassination cases for 1990.

It is usually the government who authors the human rights violations, from acts of political repression under military governments, through the creation of political insecurity, to organized bandit attacks—by instigating, encouraging, tolerating, and executing them, the CLJPDH document asserts. It points out that in the absence of proof, however, justice cannot be brought against those who are responsible for these violations, and the justice system itself is too dissolute to be of much use, even if the offenders could be brought to accountability.

Trinidad and Tobago

Editorial Says Shankar Military Puppet All Along

FL2812175090 Bridgetown CANA in English 1603 GMT 28 Dec 90

[Text] Port of Spain, Trinidad, Dec. 28, CANA—Following is the text of the editorial in Friday's edition of the EXPRESS.

"It is curious how often countries live up to their stereotypes. In South America, there are many jokes about the 'custom' of overthrowing governments by military coups. And it is true that revolutions in South American countries once seemed to be the norm, and stable governments the exception. That pattern, while changed for the most part, has certainly not vanished.

Thus, in Suriname, the elected civilian government, a mere three years in existence, has been toppled by the military. And the ease and timing of the coup makes it questionable whether the civilian government ever had any real authority at all. After all, Colonel Desi Bouterse, who seized power in 1980 and only allowed elections after seven years, remained chief of staff after the elected government was installed.

Indeed, elections may have taken place in the former Dutch colony only because the Netherlands cut off its 100 million dollars a year aid package when the military took over. Aid was restored only when the civilian government took over in 1988, and it is significant that the first real conflict led to a reinstatement of military rule.

That conflict was, of course, rooted in a power struggle. Bouterse's discord with Surinamese President Ramsewak Shankar was based on the civilian government's 1989 peace treaty with Suriname's Bush Negro rebels. Civil war had been launched in 1986 by the rebels to oust Bouterse. The war did not stop even after elections were held, perhaps because the rebels felt that Shankar's government was a puppet regime.

The treaty granted police powers, including the right to bear arms, to the rebel jungle commando groups. When the government reached an accord with the Bush Negroes, fears were thus raised among the established military that the latter's power would not be as absolute as it had been over the past years. Indeed, it may well have been the government's intention to get out from under the thumb of the military by establishing some sort of balance of power.

The fact that the coup took place mere hours after Bouterse tendered his resignation as head of the Armed Forces suggests that the fears within the military were brought to a head. There is no valid reason besides this for the coup. The acting Armed Forces commander, Ivan Graangoost, said the government had not kept to certain secret agreements. Those agreements apparently called

for the resignation of Shankar and the holding of elections within 100 days. But this merely reinforces the fact that the military was trying to hold on to effective power in Suriname.

It is apparent that civilian rule had led to an almost immediate uplift for Suriname even in the midst of civil war and a resulting mass exodus. After five years of decline, the Surinamese economy stablised in 1988 with the mining sector, which was the country's chief foreign earner seeing a strong recovery.

The military coup, should it become entrenched, is likely to lose the country its initial gains in short order, and plunge the country back into fierce civil war. Unfortunately, such issues are not likely to be important to the leaders of the coup, who thrive on violence, and have nothing but their own interests at heart.

Supreme Court President Resigns for Health Reasons

PA2712175190 Mexico City NOTIMEX in Spanish 1600 GMT 27 Dec 90

[Text] Mexico, 27 Dec (NOTIMEX)—EL SOL DE MEXICO said today that Carlos Del Rio, president of the Mexican Supreme Court of Justice, has presented his resignation because of health reasons.

The paper reported that his resignation was presented in writing on the night of 26 December after Del Rio suffered a heart attack, caused by exhaustion and over work.

It said that the cardiologists caring for him have stated that Del Rio is out of danger. However, he will undergo a new series of cardiovascular tests today, and then complete rest will be ordered.

The Supreme Court president had to move his retirement foward, which had been scheduled for April 1991, after 21 years of service.

According to the Supreme Court's internal regulations, Del Rio must give notification of his resignation to the Mexican president, who will then forward it to the Senate. The Senate will then have 15 days to hold a session to elect a replacement.

Cuban Revolution Solidarity Group Formed

FL2812132290 Havana Tele Rebelde Network in Spanish 1200 GMT 28 Dec 90

[Text] The goal of the Camilo Cienfuegos Our America Committee, which has been presented to the press in Mexico City, is to counteract the disinformation campaign against the Cuban revolution and to promote concrete solidarity actions. The organization is composed of Mexican students and laborers who, on 28 October, decided to form a group to inform others about Cuba's situation and, to a certain extent, to coordinate the activities of the many groups existing in Mexico which are in solidarity with our country.

El Salvador

Armed Forces Begin Mobilization Against FMLN

PA2812232790 San Salvador EL MUNDO in Spanish 27 Dec 90 p 1

[Text] San Miguel, 27 Dec—Last night in several areas of northern Morazan Department, combined Army units began a widespread operation against columns of the FMLN [Farabundo Marti National Liberation Front]. According to what has been said, these columns had been rallying under the guise of their so-called 24-25 December truce, in preparation of a large-scale military action planned for early January.

This situation had previously been reported by the Voice of America from Washington on 25 December. The broadcast indicated that the United Nations had received a report that the FMLN was preparing to launch another major offensive in January, particularly in El Salvador's main cities.

Movement of the Armed Forces began last night with the Salvadoran Air Force base and the 3d Infantry Brigade in Ilopnago and the 4th Infantry Brigade in El Paraiso, Chalatenango Department, specifically among special counterinsurgency troops with experience in commando warfare. Reports from eastern military commands have indicated that two nights ago, the Atlacatl Battalion Command led the new Army offensive with a massive troop mobilization north of Chalatenango Department, where it began to neutralize FMLN columns and push them north of Cabanas, San Miguel, and Morazan Departments. There, troops that had been airlifted by helicopter last night and this morning, were waiting.

Our sources added that the Armed Forces have begun an offensive by land, using elite troops such as the "Dogs of War" [Perros de la Guerra], "the Cats" [Los Gatos], "the Jaguars" [Los Jaguares], the "Libertadores Battalion," "the Tigers," [Los Tigres], the "Mingo Monterrosa," etc.

While helicopters transported the infantrymen last night and before dawn, other special combined forces reinforced a siege that the Armed Forces have maintained on the outskirts of the San Miguel, Usulutan, La Union, and Morazan Department capitals, as well as important towns in the four eastern departments.

A 3d Infantry Brigade spokesman has also indicated that the military offensive begun last night north of Morazan Department uses new "surprise" tactics against the FMLN.

Ponce Views Recent Fighting With FMLN

PA2812181790 San Salvador Canal Doce Television in Spanish 0300 GMT 28 Dec 90

[Report on interview with Defense Minister Colonel Rene Emilio Ponce by Ernesto Rivas in San Salvador on 27 December—passages within quotation marks are recorded]

[Text] [Rivas] Defense Minister Colonel Rene Emilio Ponce today confirmed that the Armed Forces have continued their military operations despite the unilateral truce decreed by the FMLN [Farabundo Marti National Liberation Front]. Ponce said that the Armed Forces do not believe in the guerrilla truces:

[Ponce] "The Armed Forces do not believe in [words indistinct]. We have a constitutional duty to fulfill and will continue to do so."

[Rivas] Col. Ponce believes that all guerrilla operations have a tactical motive, to improve its image and to get closer to power through violent means. He added that Army operations continue because the FMLN has stepped up its aggression and violence since 20 November.

[Ponce] "This is the least we could do as Armed Forces: Reply to the aggression and offensive that the FMLN started on 20 November.

[Rivas] "Nothing unusual?

[Ponce] "Nothing unusual, but we are deploying joint forces, that is, local forces, I mean the [words indistinct] and the Atlacatl Battalion. Operations continue in Guazapa, Usulutan, San Miguel, and Morazan."

[Rivas] Ponce said that regular Armed Forces operations cannot be suspended, because the harvest of coffee, cotton, and sugarcane need guarantees. He added that there is currently another threat: The U.S. State Department recently announced that the guerrillas are preparing a new offensive for next month:

[Ponce] "We have received reports suggesting that they are planning the third phase of their infamous 20 November offensive. We are prepared to face it. We have an adequate mechanism in place to counter any offensive action that the FMLN might want to launch.

"As I said before, we are fulfilling the mandate that the people gave us—that is [word indistinct]. This is what the FMLN is getting and will continue to get from us."

[Rivas] Ponce said that results of the operations in northern El Salvador are not yet available. He said that the FMLN has sustained a large number of casualties, and the Army has sustained some wounded. Ponce refused to comment on a recent visit to the country by Dr. Alvaro de Soto [UN mediator], thus adhering to the confidentiality principle.

As for the negotiations, he added that the government has maintained a solid and serious position regarding reforms and structure of the Armed Forces.

FMLN Attacks Elite Neighborhood in Capital

PA2812173490 San Salvador Radio Cadena YSKL in Spanish 1620 GMT 28 Dec 90

[Report by Rene Hurtado—live]

[Text] [Words indistinct] everything is quiet and calm. We report to our listeners who live north of the Escalona neighborhood, near the Claudia and the Lomas de La Escalon neighborhoods, that everything is quiet. There are no further problems. The FMLN [Farabundo Marti National Liberation Front] attack on the military installation has ended. The security corps, the Pantera Battalion, has already gained control of the area without any problem. [Words indistinct] Only one person was wounded. Lidia Mendez was wounded by shrapnel from an RPG-7 launched by the FMLN against the Pantera Battalion installations at 75 North Avenue in the Escalona neighborhood. She was wounded in the chest and has already been attended by medics. Everything is quiet at present here.

FMLN: No Government Air Support During Battle

PA2812183590 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 28 Dec 90

[Text] The Farabundo Marti National Liberation Front has inflicted 24 casualties on the Atlacalt Battalion during clashes that started at 0400 this morning in Chalatenango Department, in the (Plan el Picacho), (name indistinct), and (Quequelque Hill) in Las Vueltas jurisdiction. It was noted that the Air Force was not seen on this occasion; there was a total absence of air support. This confirms the dramatic situation in which the regime's Armed Forces finds itself, ever since the antiaircraft attacks by the FMLN.

FMLN Claims Control Over Chalatenango Towns

PA2812185890 Mexico City NOTIMEX in Spanish 1804 GMT 28 Dec 90

[Text] San Salvador, 28 Dec (NOTIMEX)—The Salvadoran guerrillas have reported that as of 0600 today, they maintain control over at least seven towns in Chalatenango Department.

The Farabundo Marti National Liberation Front (FMLN) indicated that it has inflicted 100 casualties on the Salvadoran Army during the past week.

The FMLN said over clandestine Radio Farabundo Marti that the actions by its units are in response to an extensive counterinsurgency operation that the Armed Forces have been carrying out in Chalatenango Department since 20 December.

Meanwhile, the Army has not issued an official report on the operation but it indicated that five guerrillas and one soldier were wounded during clashes on 27 December in La Montanita hill, located in the town of Las Vueltas.

Rebel spokesmen said this morning that guerrilla units and militias entered the towns of [name indistinct], San Ignacio, and Santa Rita, where they halted vehicular traffic on the roads leading to the towns.

They also said that during the political activities they carried out among the civilian population, they distributed propaganda, placed banners, and seized control of the offices of the National Telecommunications Administration (Antel).

During a telephone call to a local radio station, a rebel who claimed he was speaking from one of the seized Antel offices, said the towns of Agua Caliente, La Reina, Comalapa, and Dulce Nombre de Maria had also been seized by the FMLN.

The rebel said they had control over a stretch of the road leading to the town of Nueva Concepcion, 69 km from the capital, and that due "to the absence of troops," no armed clashes had occurred during the rebel incursions into the towns.

FMLN Reports Suspension of Current Campaign

PA2912191690 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 29 Dec 90

[Communique issued by the General Command of the Farabundo Marti National Liberation Front (FMLN) in El Salvador on 28 December—read by announcer]

[Text] The Farabundo Marti National Liberation Front's General Command reports:

1. That our nationwide campaign called Punish the Antidemocratic Armed Forces has, by a wide margin, achieved the political-military objectives that it set out to and has achieved the following specific results: 1,199 casualties—including 41 officers, of which 15 belonged to the Air Force—34 prisoners of war captured, two downed planes, two destroyed planes on the ground, four damaged planes, two downed helicopters, 12 damaged helicopters, 10 destroyed armored vehicles, and more than 170 weapons recovered and other war materiel.

2. That, in view of this, it has decided to suspend this campaign beginning at 0600 on 31 December.

3. That the Army is insisting on its war-mongering policy and on attacking our territories. Consequently, armed confrontations will continue as an expression of legitimate defense.

4. That we fully share the national and international opinion that negotiation is the way to solve the conflict. Arena [Nationalist Republican Alliance] and the Armed Forces are opposing this, however, using the erroneous argument that demanding the disappearance of the Army constitutes an obstacle.

5. That, within the framework of the existence of two armies, we are prepared to negotiate the preliminary political agreements allowing the establishment of a cease-fire and thus complete the first phase of the agenda signed in Caracas. Moved by this spirit, we will take new proposals to the forthcoming meeting with the government. If the government abandons its intransigent positions, we might be able to reach agreements quickly.

It is necessary to guarantee changes in the current political situation; opportunities to achieve a real democratization in the country should be offered. The demilitarization—as all social and political groups of the country have realized it—far from being an obstacle is the key factor in reaching that objective and attaining peace.

In rejecting this essential postulate of the negotiation, Arena and the Army are denying to all Salvadorans the possibility of attaining a stable and lasting peace.

[Signed] General Command of the Farabundo Marti National Liberation Front

El Salvador, 28 December 1990

Talks With Rebels Reportedly To Resume in Jan

PA2912170990 San Salvador LA PRENSA GRAFICA in Spanish 27 Dec 90 p 3

[Text] Although public opinion is currently disillusioned about the negotiations between the Salvadoran Government and the FMLN [Farabundo Marti National Liberation Front], the negotiations are currently in their best phase and it is expected that a new meeting will be held in the first few days of January.

According to a reliable source, UN mediator Alvaro de Soto has been the only contact between the government and the FMLN since the last meeting in Costa Rica in September 1990.

This has not, however, prevented progress in the analysis of the proposals from each side. An agreement has been signed in Mexico on strengthening the confidentiality of the dialogue and giving greater participation to mediator de Soto.

The source said that apparently there had been plans to meet before the end of 1990 but since this was not possible, direct peace talks will be resumed during the first half of January at an undisclosed place and on an undisclosed date.

The public has expressed its disillusionment over the few results of the government-FMLN talks to such an extent that the public does not believe either side has any willingness to reach agreements.

In the last two months of 1990, there was no direct meeting between the two sides, even though one had been scheduled.

During that period, it was learned that the mediator had presented a proposal to the two sides, but this has not been confirmed.

It has also been learned that Jorge Shafik Handal, commander of the FMLN and representative of the Communist Party, underwent heart surgery in November at a private hospital in Mexico City.

Roundup of Dec Combat Activity Reported

PA3112034590

[Editorial Report] The following is a compilation of military actions on 12, 13, 25, and 28 December as reported by San Salvador Radio Cadena YSU, (Clandestine) Radio Venceremos, and the local press.

San Salvador Radio Cadena YSU in Spanish at 0400 GMT on 13 December carries a two-minute report stating that "the military maneuvers of the Salvadoran guerrillas took another dimension when they attacked, with artillery and explosives, important military and economic targets. This new wave of actions by the Farabundo Marti National Liberation Front [FMLN] began at about midnight yesterday with an attack on the headquarters of the Third Infantry Brigade in the eastern city of San Miguel, 138 km from the capital. Military spokesmen admitted that three soldiers were killed during an operation that involved 81 MM mortars stored inside that military garrison."

The report adds: "Meanwhile, the Army's Press Office reported that the FMLN attacked the headquarters of Military Detachment [DM] No. 1 in Chalatenango, 72 km from the capital. This caused structural damage to the municipal mayoral office and four civilian houses. The source added that the military garrison was not damaged because military troops repelled the rebels, but two soldiers were wounded during a previous attack on another base in the outlying areas of Chalatenango." This report concludes that "in the capital, FMLN urban commando units dynamited four bank branches in various points of the metropolitan area without causing any casualties, but there was structural damage."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 14 December broadcasts two reports on military actions lasting a total of five minutes. The first report states that on 13 December "we attacked troops of Military Detachment No. 5 who were on guard duty with rifle fire and RPG-7 rocket launchers at the Atachin Substation in San Rafael Cedro. No casualties have been reported. Also on this day there was an attack on the National Guard in Tejutepeque and our forces occupied the city of Osicala, in Morazan Department. The enemy was not seen. We destroyed the mayor's office. We downed ten high tension power towers on 12 December in Suyapa Canton, Ilobasco jurisdiction, Cabanas Department, and in Usulutan, we sabotaged the Santa Anita substation and destroyed two transformers."

The other report states that "the National Army for Democracy inflicted 46 casualties on DM-1 troops during another military maneuver on 12 and 13 December. Our army pursued and wore out three DM-1 companies, which had been reinforced by another enemy group. This maneuver began in the morning of 12 December when these DM-1 companies entered the area of El Gallinero Hill and tried to establish positions in that area. This was an impossible task for Colonel

Humberto Salinas Correlon because his troops began to sustain casualties during the fighting."

This report adds that: "After one and a half days of fighting, today, 13 December, the DM-1 companies and their reinforcements were forced to retreat from El Gallinero [hen-house] Hill like hens and fled toward (Biafa) Canton, in the outlying areas of the city of Chalatenango."

This report concludes that "these are the results of this new maneuver. In two days we inflicted 46 casualties including a dead lieutenant, who was company head, one wounded sublieutenant, a wounded sergeant, and a wounded radio operator. Also, we captured the following military materiel: Two M-16 rifles, a (M-72) Light Antitank Weapon [LAW], a claymore mine, three cartridge clips for .60-caliber machine guns, three packs, and 3,000 rounds of 5.56 MM ammunition that we will use to kill the enemy forces. During the fighting on El Gallinero Hill we also seized an .60-caliber machine gun, three M-16 rifles, and a PRC-77 radio."

San Salvador LA PRENSA GRAFICA in Spanish on 22 December on page 66 carries a 440-word report stating that "DM-2 troops destroyed an explosives factory in Cucurucho Hill, Ilobasco, Cabanas Department." This report adds that "the Armed Forces Press Committee reported that an FMLN subversive was killed and others, who were wounded, managed to escape to the vicinity of Cucurucho Hill, during a clash prior to the destruction of the explosives factory." The report states that DM-2 troops pursued the terrorists, but they managed to escape.

This report states that the same source reported that "two soldiers were killed and four were wounded during an FMLN ambush on an Armed Forces truck that was carrying troops on the Northern Trunk Highway, near the Guaycume Bridge, Guazapa jurisdiction." It adds that "National Police agents who were patrolling the vicinity of the Agua Fria Farm, near Colon, seized 21 TNT sticks, a Light Antitank Weapon [LAW], and two fragmentation grenades during the combing operation."

San Salvador EL DIARIO DE HOY in Spanish on 26 December on pages three and 24 carries a 200-word report datelined in San Miguel stating that "Army units on 25 December repelled an ambush involving some 150 terrorists amid the so-called 'Christmas truce' in the vicinity of San Pedro Canton, El Jocote" causing three dead subversives, three wounded soldiers, and eight wounded subversives. The report adds that the Fifth Infantry Brigade reported that two civilians were wounded during the action. It adds that the source also reported that among the war materiel seized were an AK-47 rifle and 251 rounds of 5.56 MM ammunition.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 29 December broadcast two reports on military actions lasting a total of four minutes. The first reports states that on "28 December at 0925, urban commando units, despite intense security in the capital ordered by Colonel Ponce, attacked positions of the National Police's Pantera Battalion at the intersection of Tasumal Street and 55th Avenue in Escalon Neighborhood. During this attack we inflicted several casualties. The attack involved an RPG-7 rocket launcher and rifle fire. Our units maintained their positions for ten minutes, but the enemy acted clumsily and did not respond to our attack."

The other report states that "we inflicted 15 casualties, five dead and 10 wounded, during a clash with troops of the Fourth Brigade in Santa Rita, Chalatenango Department. At 0500, today, 28 December, units of our National Army for Democracy occupied the towns of Dulce Nombre de Maria, Santa Rita, Comalapa, (La Junta), and a stretch of the highway joining Dulce Nombre de Maria and San Rafael. We erected barricades with trucks and buses on the highway. At 1030 a company of Cayaguanca Battalion of the Fourth Brigade showed up in Santa Rita and a clash ensued. The fighting lasted until 1400. Another company showed up to reinforce the other company that was being worn out by our forces. We began fighting this other company. After four hours of fighting the enemy could not resist our revolutionary fire and fled in total disarray toward San Rafael, leaving behind numerous dead on the battlefield. During our successful maneuver, our forces inflicted 15 casualties, five dead and 10 wounded, including an officer who headed a company and two wounded section heads. The name of the officer killed in Chalatenango Department is Jose Victor Aguilar Menjivar."

This report adds that "our comrades reported that we recovered the following war materiel: an (M-203 rifle) modified with M-79 parts, an M-16 rifle, 20 grenades for M-79 rifles, two (M-72) LAW's, three sets of equipment [not further explained], seven packs, four cartridge clips for .60-caliber machine guns, and a pair of binoculars that the officer had owned." The report finally adds that our "comrade Matias fell heroically in combat."

MNR Says Government 'Hampering' Peace Talks

PA2912190990 Mexico City NOTIMEX in Spanish 0005 GMT 22 Dec 90

[Text] San Salvador, 21 Dec (NOTIMEX)—The leftist National Revolutionary Movement (MNR) today questioned President Alfredo Cristiani's willingness to attain peace and accused the ruling party of hampering the negotiation process.

In a communique released today in this capital, the MNR said that the ruling Nationalist Republican Alliance (Arena) has broken commitments made with political parties during peace negotiations between the government and the guerrillas.

According to the MNR, which is headed by Social Democrat Guillermo Ungo, Arena is obstructing agreements reached among political parties to create favorable conditions for a cease-fire agreement.

Arena deputies, who represent the majority in the Legislative Assembly, have voted against amendments to the electoral law approved by the interpartisan commission to regulate propaganda for political parties on radio and television.

The agreements reached by the commission, made up of nine political parties and created to contribute toward peace efforts, are subject to congressional approval.

MNR described Arena's attitude as "grave" and stressed that it has the complicity of President Cristiani, who has committed to assuming the agreements reached by the interpartisan commission."

"The Arena government's credibility and trustworthiness in regard to the process of dialogue and negotiation for a political and peaceful solution has been seriously affected," the document added.

MNR also questioned Cristiani's ability to respect possible future agreements reached at the negotiation table between his government and the Farabundo Marti National Liberation Front.

According to political sources, the peace talks that began in April under UN auspices are scheduled to continue in Mexico or Venezuela in the next few days.

Official Announces Creation of Anti-Drug Unit

PA2912180890 San Salvador LA PRENSA GRAFICA in Spanish 25 Dec 90 p 2

[Text] The creation of the Anti-Drug Unit and the strengthening of the Human Rights Unit are actions that will be implemented next year by the District Attorney's Office.

The information has been reported by District Attorney Roberto Antonio Mendoza Jerez, who said that the Anti-Drug Unit will include capable members from the District Attorney's Office and technicians. He added that they will have the necessary equipment to specifically handle all the crimes connected with the cultivation, preparation, manufacturing, possession, and marketing of drugs.

Commenting further, he said that his office will continue to coordinate actions with other public and private entities to fight the abuse and illegal marketing of drugs in order to complement an adequate and overall defense and protection of the interests of Salvadoran society.

The district attorney said that the Human Rights Unit has been operating for three years, and it will be noticeably strengthened with the necessary amount of personnel and equipment to increase its coverage of the national territory, and particularly, to intervene in the investigations of such violations.

He added that the organization's offices will also be enlarged to increase its capability, allowing it to handle any report concerning human rights violations.

These are some of the specific actions that will be carried out at the District Attorney's Office next year, according to Dr. Mendoza Jerez, who added that he expects to receive the full support of all the government and nongovernment groups, and international organizations.

Creation of UN Observer Group Noted

PA2812230090 San Salvador LA PRENSA GRAFICA in Spanish 28 Dec 90 p 3

[Text] UN Secretary General Javier Perez de Cuellar has announced the creation of the United Nations Observer Group in El Salvador [ONUSAL], the task of which will be to supervise fulfillment of the accords signed between the Salvadoran Government and the FMLN [Farabundo Marti National Liberation Front].

In his most recent report to the Security Council, Perez de Cuellar announced his intention to request authorization to establish this group.

As a first step in creating this group, Cuellar has requested that the members of ONUSAL in charge of verifying respect for human rights be designated as soon as the necessary preparations in El Salvador have been completed and, particularly, as soon as it has been determined to what extent the group's tasks can be carried out, despite the absence of a cease-fire agreement.

Perez de Cuellar also stated that early in 1991 he will dispatch to El Salvador a technical delegation in charge of preparing an operational plan to be presented to the Security Council.

"Considering the degree of difficulty of the necessary preliminary tasks and the positive contribution that the appointment of this group will probably make on the negotiation process and toward improving the human rights situation in El Salvador, I will in due time urge the Security Council to quickly make a decision with regard to my recommendation," Perez de Cuellar pointed out.

He also reported to the Security Council that no accord exists between the government and the FMLN to allow the United Nations to supervise the legislative and municipal elections scheduled to be held in March 1991. In conclusion, he reported that he has learned by chance that the OAS has decided to supervise the elections, although the views of the OAS are different from those of the United Nations.

Refugees in Panama Send Communique on Repatriation

PA3112123590 Panama City ACAN in Spanish 1520 GMT 28 Dec 90

[Text] San Salvador, 28 Dec (ACAN-EFE)—The Panamanian Government has announced that it will deport 600 Salvadoran refugees if the Salvadoran Government does not find an immediate solution to their repatriation problem, according to statements made today in San Salvador by representatives of Ciudad Romero—the community affected.

The Ciudad Romero community issued a communique which said: "Since the Salvadoran Government is being unyielding regarding our right to return to our country of origin, the Panamanian Government has publicly said that we will be deported on short notice if an immediate solution to our problem is not found."

The Salvadoran refugees have been in Panama since 1980, when they established themselves in a remote jungle area on the Caribbean coast. They founded a town that they called "Ciudad Romero" in honor of Archbishop Oscar Arnulfo Romero, who was murdered that same year.

The community has been negotiating for the past several months to be repatriated, but they have come up against a number of obstacles, the main one being where they will resettle in eastern El Salvador.

The refugees have gathered in Panama City and have said that they will leave as soon as the Salvadoran Government fulfills all the legal requirements for "our decent and safe repatriation." Some of the requirements are personal identification documents and the establishment of a date for returning to El Salvador.

In their communique, the refugees say that they are undergoing severe difficulties with no shelter or food and that many of them are sick.

Guatemala

Cerezo: OAS Decision on Belize To Be Respected

PA2912183490 Guatemala City EL GRAFICO in Spanish 24 Dec 90 p 5

[Text] President Vinicio Cerezo said on 21 December that as an OAS member, Guatemala will respect the decision regarding Belize's entrance into that organization.

As he has said on other occasions, Cerezo reiterated that Belize should join the Central American community.

He added that Guatemala wants to settle some terms of the dispute between the two countries before the January 1991 meeting and because of this, Guatemala has asked Belize to agree to postpone that meeting. The only difference, Cerezo said, is that Belize would join the OAS in January instead of June. [sentence as published] Cerezo recalled that the decision was made eight years ago in Cartagena. He added that compared to Venezuela's attitude toward Guyana, Guatemala has adopted a much more sensible and realistic attitude regarding the need to integrate our nations and end confrontations.

Cerezo was very clear in saying that this does not mean that Guatemala is recognizing Belize as a state, adding that it is simply a matter of recognizing a legitimate OAS decision. Guatemala, he stressed, still believes in the need to settle the dispute, but on the basis of establishing frontiers and the recognition of Guatemala's basic territorial rights, which include the territorial sea and a portion of the exclusive economic zone.

Rebels 'Practically' Rule Out Talks With Cerezo

PA2912163690 Mexico City NOTIMEX in Spanish 2106 GMT 27 Dec 90

[Text] Guatemala City, 27 Dec (NOTIMEX)—The Guatemalan guerrilla groups today practically ruled out the possibility of a dialogue with President Vinicio Cerezo's administration, whose term ends "amid a political vacuum and discredit."

The Guatemalan National Revolutionary Unity (URNG) issued a statement here with an appeal to the country's social groups, urging them to carry out joint initiatives with the next government to solve the armed conflict in the country.

Based on the Oslo Agreement signed in Norway by the URNG, the government, and social groups' representatives early this year, the guerrilla organization issued an appeal to demand a National Constituent Assembly.

The URNG warned that "a dangerous right-wing and repressive tightening has occurred in Guatemala, adding that it threatens to lead our country to political anarchy, worsen the economic crisis, and increase the war."

The rebel group demanded that the new Guatemalan Government—to be sworn in on 14 January—take into consideration the agreements and points of consensus between the URNG and the social groups with which it talked throughout the year.

The URNG held meetings with political parties, businessmen, the church, popular groups, academic groups, professional groups, and displaced people's groups throughout the year. The dialogue with the government and the Army is still pending.

The guerrilla group's statement issued an appeal to support the national dialogue and to establish the minimum groundwork for a social agreement in which "democracy is fully achieved."

The statement added that the future government may play a positive and historical role if it achieves progress toward a national consensus which offers a social and national multi-sector model.

Nevertheless, it warned that the candidate who becomes president "will be compelled to reach a settlement, thereby causing him to rule from a position of weakeness," because he will be linked with the economic centers of power.

The rebels' statement also said that although the presidential candidates and Cerezo claim that "they are willing to talk with the guerrilla groups," they refuse to do so because of the pressure exerted by the Army and powerful businessmen.

The URNG said: Cerezo's administration has let the people down, and it missed "the rare and special opportunity to embark on a process for attaining democracy."

"No Guatemalan president has ever reached the end of his term in a more frustrating and reprehensible way," the guerrilla group said, referring to Cerezo.

Mayor Arrested; U.S. Seeks Extradition

PA2912163290 Guatemala City SIGLO VEINTIUNO in Spanish 28 Dec 90 p 3

[Text] Zacapa Mayor Arnolfo Vargas Estrada, who was recently reelected for a second five-year term; his relative, Victor Manuel Estrada Arias; and Otto Evelio Quiroz were arrested yesterday in a large-scale police military operation. The prisoners were charged with drug trafficking and possession of military weapons; and it was reported that the U.S. Government has requested their extradition.

Vargas Estrada was arrested at his farm near the city of Zacapa. Estrada Arias was arrested in the central square of Villa Nueva, and Quiroz Avila was arrested at 47th Street and Petapa Avenue, Zone 12, Guatemala City.

Government Minister General Carlos Morales Villatoro confirmed the arrests and said that a "sizeable amount of drugs and weapons were found in their possession."

The arrest warrant was issued by the third penal court, based on an extradition request sent by the U.S. Government for the three men and three military officers who were recently demoted and arraigned for their alleged participation in drug trafficking—according to charges filed by the Armed Forces.

The information supplied by the Civilian Protection System, the Siproci, says that 287 kg of cocaine worth 287 million quetzales and four vehicles, one of them with a U.S. license plate and another one with a Nicaraguan license plate, were found in their possession and seized by the authorities.

Minutes before entering the preventive detention center in Zone 18, Mayor Vargas Estrada—who was nominated by the UCN [Union of the National Center]—denied the charges, saying that they were part of a plan to destroy his political career.

He reported that a large contingent of soldiers, national police members, and treasury police members arrived yesterday at 0930 and arrested him in the corral at his farm.

"I do not even know what cocaine looks like," he said while denying the charges against him, adding that "if this how politics work, then I better give up because no one can participate like this."

The U.S. Embassy requested the extradition of the three Guatemalan citizens two weeks ago in order to try them for crimes against humanity in connection with international drug trafficking.

Based on information provided by the DEA and the U.S. diplomatic mission in this capital, the Guatemalan Foreign Ministry prepared the necessary paperwork to arrest and extradite the men.

The arrest of the three men charged with drug trafficking caused a confusing situation yesterday at noon because no one in the Government Ministry or the Public Relations Secretariat of the Presidency of the Republic had reported the incident.

It was said that President Cerezo Arevalo would hold a news conference yesterday at 1800, but it never happened. Journalists went from one detention center to another looking for information, but no one gave them any on this case.

The interesting thing about this is that when it was finally confirmed that Mayor Vargas Estrada was at the detention center in Zone 18, the journalists were beaten up by the penitentiary guards in order to prevent the mayor from being interviewed.

Government Minister Carlos Morales Villatoro said yesterday, before the arrests were revealed, that "important drug trafficking cases are currently being investigated but, since important blows will be dealt, everything will remain confidential so that the investigations are not precluded."

He emphasized that bankers, politicians, government officials, and clergymen are involved in drug trafficking, but added that only the merchandise, meaning the drugs, and not the culprits of this crime, has been seized—so we expect to deal a severe blow to international drug trafficking on this occasion."

"We would not be surprised if some security members or heads of government offices are involved in drug trafficking, but the lack of evidence has limited our actions. We have to dismiss these people because we lack the evidence to start trial proceedings," Minister Morales Villatoro said.

Three Officers Discharged on Drug Charges

PA2912040790 Guatemala City SIGLO VEINTIUNO in Spanish 27 Dec 90 p 3

[Text] Three Guatemalan Army unit commanders, stationed at strategic locations throughout the country—like San Marcos, Playa Grande, and the port of San Jose—were discharged from the Army and handed over to a civilian penal court where they have been charged with drug trafficking.

The Army high command, based on government agreement No. 1279-90 dated 20 December, stripped the three officers of their army rank and charged them with drug trafficking. The three officers are: Lieutenant Colonel Carlos Rene Ochoa Ruiz, Captain Hugo Leonel Perez Franco, and Capt. Jose Maria Flores Montes. The three men were given a dishonorable discharge from the armed institution.

It has been learned that Lt. Col. Carlos Rene Ochoa Ruiz was commander of a military unit stationed in San Marcos Department; Capt. Jose Maria Flores Montes was commander of a unit stationed in Playa Grande, Quiche Department; and Capt. Hugo Leonel Perez Franco was commander of a unit stationed at the port of San Jose.

"In this way the Guatemalan Army reiterates its determination not to allow, within the ranks of the Army, illegal actions that go against the morale, good conduct, and professional ethics that must distinguish every member of the Guatemalan Army," the official communique issued by DIDE [Armed Forces' Information and Press Directorate] states.

"The three former officers are now awaiting the decision of the civilian courts to which they have been remanded for the crime of drug trafficking," the communique adds.

On 23 December President Vinicio Cerezo Arevalo announced that three Guatemalans, including Lt. Col. Ochoa Ruiz, would be extradited to the United States to stand trial for the crime of drug trafficking. The president did not, however, give the names of all the officers involved. The names were later released by DIDE.

Honduras

Callejas Discusses First Year in Office

PA3012031190 Tegucigalpa Voz de Honduras Network in Spanish 0319 GMT 27 Dec 90

[Interview with President Rafael Leonardo Callejas by journalists Carlos Ridel and Edgardo Melgar on the "Topics and News" call-in program at the Televisora Hondurena Canal 3 studios in Tegucigalpa; journalists Ridel and Melgar not individually identified—live]

[Excerpts] [Journalist] We have as our guest on the "Topics and News" program President Rafael Leonardo Callejas, for a more personal contact with our television audience. Good evening Mr. President, thank you for being with us on our "Topics and News" program.

[Callejas] Thank you Carlos and Edgardo. It is a pleasure to be on "Topics and News," a program that generates ideas and gives me the opportunity to address the Honduran people in an open, clear, and precise manner. This close contact encourages an objective analysis of my government's first stage and allows me to answer your questions and explain the positive and negative—according to the people—aspects of my administration in the difficult year of 1990.

[Journalist] Many thanks Mr. President. Tonight Hondurans can ask you questions over lines 326064, 325019, 325514, and 321475.

[Journalist] Good evening Mr. President and thank you for your kind words for "Topics and News." Thank you dear viewers.

[Journalist] Mr. President, are you satisfied with your 11 months in office?

[Callejas] I feel very pleased with my first year in office. Naturally, there are some aspects one cannot feel happy about. This year's program was intended to improve the economy, change the country's ways of doing things, and give Hondurans a new idea of what our society is: a society of opportunities and a society with a dynamic productive sector that generates social benefits. Of course, this sort of initiative requires some extraordinary changes, such as price increases, inflation, and a loss of purchasing power. We are trying to give the general economic system a new vitality which means a new vitality for the collective Honduran economic system. It has not been easy. It has been an unpleasant and difficult year, but the way the question is posed, I must say that I feel satisfied.

[Journalist] Did the measures resolve the shortage of dollars, basic grains, and medicines?

[Callejas] Not yet, of course. Remember, this is a four-year government program. This first year basically served to resolve the critical and chronic problems that have created the crisis facing the country. These problems include bad government financing, such as the fiscal deficit, price fixing, lack of incentives for producers, and protectionism. The government has been subsidizing everything and is the main consumer. This has greatly affected the country's limited resources. Thus, the government's first goal is to restore fiscal discipline, proper and correct handling of public funds, and international credibility, as well as to generate the appropiate atmosphere for private investment. We have made much progress along these lines.

[Journalist] If the lack of medicines, the high cost of living, and the shortage of basic grains or products are problems that have not been resolved, does this mean these were not the government's main priorities, or does this mean that certain measures did not work out?

[Callejas] There have been a series of complications. The shortage of medicines is very serious. We found that the country owed international suppliers—and still owes private importers—more than $40 million. In other words, we no longer had the money to solve this problem.

The government has continued to guarantee supplies of medicines. We have distributed them to centers managed by the public sector. We are, however, facing problems: price and accessibility. This calls for a resolution—which is in the works—to reduce the price of medicines through various means beginning in 1991. I might be able to expound on this later.

The basic grains program has been the most important in our country's history. I believe that Honduras will recover its status as Central America's granary. There is, however, a significant gap between our prices and those of the rest of the region and the world. What has happened? Consumption has increased but supplies have come from imports, especially corn, from a U.S. source via public law 4-80. If this continues, we will never again have an economy based on basic grains or be able to revive our grain production. Just to give you an idea, productivity in Honduras dropped by 30 percent between 1978-1989.

Not only did we stop producing, but we lost part of our technological capability during this period. So what we must do is tell farmers that they can produce and make money and that, with this incentive, we will establish food security through the basic grains program.

[Journalist] Do you have trust in this year's production?

[Callejas] To a great extent, yes. Despite the negative effects of the U.S. policy, the production will be satisfactory. I am surprised at the increasing demand for industrial products and the local competition for prices in El Salvador and Nicaragua. Generally speaking, the effect of this first stage in the basic grains program has been and will be positive.

[Journalist] Mr. President, do you think we have become more dependent on international organizations, such as the World Bank and the IMF?

[Callejas] We are about to shake this dependency. Thanks to the program we have implemented, we enjoy international credibility and no longer depend on a single source for loans. Up until 1989, the United States and the Agency for International Development were our main sources of economic aid. The number of countries and organizations willing to help us is considerable and includes Spain, Venezuela, Mexico, the World Bank, the Inter-American Development Bank, the United States, Germany, and Italy. In other words, the economic support for the public sector has truly become a feasible alternative under extremely favorable conditions. The more economically independent the country becomes, the less dependent on international loans it will be.

[Journalist] What will we do to amortize the portion of Honduras' debt with international banks which is due next year? Will Honduras amortize that portion, which has not been paid since August?

[Callejas] Of course. We are up to date. We have paid off what was in arrears, we have paid off the stopgap loan, and we will have a positive flow of international financing under extremely positive conditions—40 years at two percent interest. We have also managed to negotiate what we have in arrears with friendly countries in the Paris Club, and we will have nothing to pay on our debt to the members of the Paris Club in 1991. That is, no foreign exchange will be used up to amortize the debt. There are no delays. Our foreign debt has been refinanced. We do not have to make any payments to other countries and international organizations. The flow of financing from international organizations will be positive for Honduras. In this regard, 1991 will be substantially different from 1990 and previous years. Honduras again enjoys international credibility.

[Journalist] Mr. President, you have mentioned 1991 and the social adjustment programs. I know you will discuss these programs later, but I would like to ask you: Has all of the economic adjustment been completed? Or is more of it to come?

[Callejas] The program's fundamental macroeconomic aspects have already been completed. Some normal portions of the process leading to the social market economy will continue in 1991. Inflation will be much less than in 1990.

[Journalist] Should we expect more inflation?

[Callejas] Inflation will probably reach approximately 1.5 monthly, or 18 percent in 1991. We can expect an inflation rate approximately in this range. That will be the case provided there is no crisis in the Persian Gulf. That would be out of our control.

[Journalist] I would like to ask you three questions. Let us suppose today is 26 December 1994. You are about to hand over the Presidency to your successor. How would you explain the difference between the Honduras of 26 December 1994 to that which you received in 1990?

[Callejas] There would be a radical change from a paternalist economy and a dependent society to a society of opportunities and a free society in which the individuals determine their own destinies. There would be a change from a bankrupt economy to a healthy one, from a country without international credibility to one with prestige, and from a nation with unconventional forces in its territory to a nation that is respected because it respects international law. It would be a country in which the main factor will be economic vitality because in 1993 we will have a growing economy.

[Journalist] Mr. President, I would like to ask you a question on your stand? What role did you play in the

progress of our dreams of autonomy, independence, democracy, sovereignty, and national identity?

[Callejas] I think I was the protagonist of a national reality that implied the strengthening of the democratic system.

In particular, 1985 was a very rough period for the institutional life of the nation. All of us can remember this. I abided by every political agreement which guaranteed the success of the Honduran political democratic process. This success was later confirmed in 1989 when we won the elections and the flexibility of the democratic process was established. Let us keep in mind that I am the first opposition president since 1930. This same fact results in faith in democracy, keeps the process fluid, and ensures that the people can elect their leaders through elections.

[Journalist] Mr. President, here is my third question. You would hand over the Presidency on 26 December 1994. Would you request another opportunity from the Honduran people?

[Callejas] Absolutely not. I respect the Constitution. I fought in October 1985 precisely to prevent a constitutional amendment leading to the president's reelection. My stand on this is firm. The president's term lasts four years. This should establish his objectives, philosophy, and policy.

[Journalist] Mr. President, our public is already asking questions on current issues. Suyapa Torres has phoned in and asked you: Do you think it was necessary to devalue the lempira?

[Callejas] The currency had already been severely depreciated. Let us remember that in January 1990, the exchange rate was already 4.30 lempiras to the dollar on the black market. There was no foreign currency. Our reserves had a negative balance of $250 million. We had to design a competitive currency. With an overvalued currency, the country cannot be competitive in the world. We are trying to establish a currency value that will allow us to access international trade and be highly competitive to obtain this invaluable treasure, [words indistinct]. This can only be done with a competitive currency.

[Journalist] What will the outlook of our currency be in relation to the dollar next year?

[Callejas] The objective to be attained in 1991 is the stabilization of the economy both regarding prices and the currency. This does not mean there will not be small fluctuations. The currency, however, will gradually stabilize and reach a balance. This balance will determine the transactions whereby Honduras will remain competitive.

[Journalist] What would be the level of inflation? Nine, seven, 5.5?

[Callejas] The inflation will continue more or less at the present levels.

[Journalist] Mr. President, you said that there will be higher inflation in 1991. Maybe this will not be a colorful year, but do you think it will be a more bearable year?

[Callejas] Absolutely. In 1989, inflation reached between 10 and 12 percent. In 1990, inflation reached 30 percent. There was also a very strong adjustment due to the free supply and demand policy and the currency devaluation. This has been a truly dramatic year for the Honduran people, who are not very accustomed to these kinds of circumstamces. Inflation will stabilize in 1991. At the end of the year, it will likely be down to 0.05 percent monthly.

[Journalist] You mentioned social problems. In what fields and in what projects will social adjustments be made? What should we expect in the social field?

[Callejas] Maybe we should first discuss the income spiral. What does this mean? Normally, the salaried people are the most affected by the reorganization measures that we have taken. These people have lost their purchasing power because of inflation and currency devaluation. An economic adjustment should be made for these sectors. The government will adjust the salaries at all levels.

[Journalist] You mean the government will raise the salaries.

[Callejas] The salaries will be increased in January in consensus with public employees and other sectors. This is what we will do with the public sector. We will again revise the minimum salary of the private sector. The workers will be responsible for collective contracts. Workers and employers will have to negotiate the salaries. There is, however, another factor in the balance: the field producers' and the peasants' incomes. These people are not salaried. How will they receive social benefits? They will receive them through a formula that uses prices. When prices are raised and the marketing system is improved, the peasants will reap greater benefits. Of course, this involves greater consumer prices for some products, but they will affect the consumers who normally are urban salaried people and who receive the required salary adjustment. This is where a balance in society's revenue occurs.

[Journalist] Mr. President, you mentioned balanced salaries. Is this an admission that the average Honduran today is on the opposite end of the wage scale with rich Hondurans, who in turn are becoming richer?

[Callejas] This is a reality of the economic system we live in. A World Bank report says something amazing: In 1989, seven percent of Hondurans owned 50 percent of Honduran riches, while 50 percent of Hondurans earned seven percent of the income. The disparity—the gap between the rich and the poor—increased considerably. Our program bridges this gap and makes our country, according to the information we have since 1989, the second richest country on the American Continent [as heard].

[Journalist] Speaking of these increases that you have mentioned for next year, will a call be made to peasants and businessmen for a concerted effort?

[Callejas] We will have to consult with the various sectors on the salary adjustements. In the specific case of public workers, we will meet with labor unions and with the ANDEPH [National Association of Public Honduran Employees]. We will discuss the minimum wage with the sectors that demand to take part in this discussion due to the effect this has on the various businesses. We will also discuss the minimum wage with peasants, farmers, and cattle ranchers, who are also concerned about this economic scheme. A concerted agreement is essential for these types of decisions—it is essential that it take place.

[Journalist] After implementing IMF and World Bank-type projects and economic adjustment programs, how would you describe these international organizations?

[Callejas] I would first like to clearly establish that we made our own decisions and then sought IMF and World Bank support.

[Journalist] Were their guidelines imposed on us?

[Callejas] We had already set our guidelines.

[Journalist] Was a national plan presented?

[Callejas] We presented a plan in which we outlined a series of guidelines and goals, which even now are not fully agreeable or satisfactory to the IMF. We dealt with the IMF politically and afterward, during the negotiations, it accepted these points and backed the program.

[Journalist] The IMF, nevertheless, has been very good with the loans?

[Callejas] So far the IMF has backed the program. I want to leave on record that no one likes to negotiate and follow IMF and World Bank conditions. When you reach that stage, it is because you have no other option; when you knock on the IMF's door it is because your economy is so weak and so badly managed that it requires this sort of backing. You do not seek the IMF; the IMF calls on you. You go to the IMF because you have no options left. The IMF determines the financial world.

[Journalist] My intial question was what do you think of the IMF?

[Callejas] It is tough. It has no feelings. It only thinks of how to resolve economic problems under its conditions.

[Journalist] Perhaps the problem with the IMF is not an ideological problem. Rather, as you said, the IMF is tough, inconsiderate, and perhaps simply does not know what goes on in each country, such as Honduras—a developing country. Is it true that it is a part of international injustice?

[Callejas] The IMF is the last-hope banker. It is where you go to desperately ask for a loan or to request funds to overcome a crisis. That is a fact. Once you sign the letter of intent and you fail to keep to the terms you yourself have agreed to—this is how it is negotiated—then the problem of ineligibility arises, which is what happened during the last administration....

[Journalist, interrupting] Then Mr. President, how is it that the same IMF-type measures have been applied in Honduras, Costa Rica, Argentina, Venezuela, and even in Chile?

[Callejas] The IMF has its own methods of analysis for each country's problems. It establishes conditions that range from resolving fiscal problems to the country accepting that its currency cannot be overvalued or that it should be allowed to float freely. These are conditions that are set after you go to the IMF and negotiate the best terms you can; the agreement is made based on this, and then you act accordingly. In the case of Honduras, we made our decisions before going to the IMF.

[Journalist] Forgive me for asking you one last question. Do the economic measures that you implemented fit Honduras' reality?

[Callejas] Of course. Consider our previous situation. We had a 12.6 percent fiscal deficit. This was disproportionate to our national reality: a country without money that was forced to finance the 1990 budget and whose obligations with international banks, suppliers, and friendly countries were overdue. We could not stimulate domestic development. Thus, on studying the situation, we decided that Honduras' main goal was and is to resolve its fiscal problems in the short period of time provided by the government administration. This is what the first stage of our government program entailed.

[Journalist] How are current relations between the government and international organizations? I understand that in Washington you decried the stand of certain officials of these organizations who wanted to impose things that were not included in the already debated subjects. What kind of things did they want to impose? What did they want to do with our economy?

[Callejas] According to the report I received, one of the international organizations wanted us to amend the Constitution and some functions that are of the Congress' sole jurisdiction. We discussed and reported on this. At present, the country's stand is clear, the country is sovereign, and relations with international organizations are excellent.

[Journalist] The IMF is tough. Do you think it is possible to request a change in its stand?

[Callejas] We have proposed this to the United Nations already. Perhaps what countries—which must resort to the IMF because of their situation and face the crisis as Honduras did—complain about is that they have no available resources for a short-term social compensation program. If adjustments are made, the poorest sectors and the economically weaker countries are affected. As a

result, there is no way to bring in more resources and have access to soft loans that would make this compensation possible. For instance, there would be no access to subsidies for medicines.

[Journalist] Is the IMF unfair even in this particular case, Mr. President?

[Callejas] In these cases, there is injustice in the developed world. There is a lack of sensitivity on the part of the international organizations regarding this particular problem.

[Journalist] There is no justice considering that growth and development—like more schools, highways, and hospitals—cannot take place because of the foreign debt owed to these organizations.

[Callejas] We are in the process of resolving the debt problem. This will make it possible for us to obtain funds for our economic programs and make more social investments in education and health. I wanted to point out, however, that when the adjustment is so strong that the people's purchasing power is reduced, there is nowhere to go.

[Journalist] Can the growth problem be separated from the debt problem, Mr. President?

[Callejas] It can. In Honduras' case, we have managed to refinance our debt and this can prevent us from having to amortize our debt. Our medium-term goal is to have part of our debt written off and use the available resources for development.

[Journalist] Does this mean that the IMF can be separated from the World Bank?

[Callejas] Sure. Like the Paris Club, they contribute to finding resolutions.

[Journalist] Mr. President, there are a lot of questions asked by our listeners who have phoned in. Patricia Godoy asks the president whether the interest rates on housing will be suspended next year or not.

[Callejas] Social housing will continue to have a subsidized interest rate. We are negotiating and outlining a strategy whereby the savings and loan associations and banks lending at fixed subsidized rates will receive a compensation to avoid risks. This means that subsidized interest rates will continue to be applied to social housing. [passage omitted]

[Journalist] [Name indistinct] asks you: You said here and abroad that there are no political prisoners in Honduras. Your partial amnesty decree for peasants and the retention of nine citizens and of the political exiles in local jails violate Esquipulas II accords. Will this affect your international credibility and affect the ability to secure foreign aid?

[Callejas] No, and I still stick to my statement that there are no political prisoners in Honduras. A general amnesty would have given freedom to people involved in gunrunning and terrorism.

[Journalist] There will be no amnesty for them?

[Callejas] We saw the best example not long ago when two citizens planted explosive devices in Tegucigalpa supermarkets that would have killed innocent people had they exploded. Those people have no right to an amnesty because their crime is terrorism, their crime is against the people, and their crime cannot be pardoned.

It is important for me to set the record straight: Those nine people that you referred to are in Honduran jails because they are arms traffickers; arms that, in the case that I just mentioned, could have killed innocent children. In my opinion, this is not covered by the Esquipulas treaty or accord and, of course, it does affect our international credibility.

[Journalist] As for the same issue, Mr. President, Hernan Romero is asking you for your opinion on the motive for the bombs being planted at the supermarkets?

[Callejas] There is freedom of speech in Honduras. There is a right to protest in Honduras. These are violent actions. They are illogical, irresponsible, senseless actions. Why are they taking place? Only the perpetrators can answer this question. In my opinion, there can be opposition to the measures that the government is implementing, but that opposition should be reflected in criticism via the media and popular protests on the streets. That is acceptable to me. They could also be reflected through concerted efforts and dialogues. However, resorting to violent means in Honduras? Only irresponsible people who want to establish another system here or create an atmosphere similar to that in El Salvador could be involved.

[Journalist] Mr. President, the Armed Forces have linked these attacks, the bombs placed in supermarkets, to the unions' stance. What is your opinion?

[Callejas] This is a very complicated matter. One cannot generalize that all unions hold this position or point to any one organization. The fact that they [not further identified] are union members [words indistinct] does not necessarily mean that their unions agree with these violent acts. I think it is important for unions to understand that their objectives should not be political; their objectives are the attainment of economic and social benefits for their members. Perhaps this concept is still not well understood by Hondurans. Democracy ensures that the opposition can, through the electoral process, implement the government program it believes is necessary. The correct channel is not violence. Thus, the entire nation should react negatively to violent actions such as the recent attacks.

[Journalist] What is your opinion of the way Hondurans have reacted to the government measures? In Venezuela

and Brazil, for example, people looted the supermarkets. Why has this not occurred in Honduras?

[Callejas] Because people knew the measures were coming and were aware that they were overdue. The people clearly understood that something had to be done. The Hondurans knew the decisions—which were not pleasant, positive, or nice—had to be made [words indistinct]. They knew that my action was based on my obligation as the president of this country. I have to look after its future more than I look after its present. We have to construct a new society. I believe this was the reason that Hondurans accepted—not wholeheartedly, mind you —the government program.

[Journalist] Mr. President, despite your enthusiasm and optimism, is there a possibility that totalitarianism and anarchy will flourish if the problems of increased poverty are not resolved soon?

[Callejas] No. The Hondurans have already understood that the road we need to follow is democracy. Our system allows us to search for the solution to our many pressing and complex problems in freedom. It is important that we all understand that to attain social justice we must have economic growth. The objective of the government program is to attain economic growth.

[Journalist] But it sure looks like anarchy when, for example, the peasants take over the sugarcane processing plant or when the reapers again do not bring their [words indistinct].

[Callejas] These are forms of protest. I do not agree with these forms of protest but I cannot say that these citizens are not justified in protesting. I have nothing against protests when they are to obtain benefits for the workers. Protests are a genuine expression...

[Journalist, interrupting] But to the point of anarchy?

[Callejas] No, these protests are not tantamount to anarchy.

[Journalist] [Name indistinct] asks if you are aware of the poor people's situation now, during this Christmas season?

[Callejas] Of course. I am aware of the poor people's situation this Christmas, last Christmas, and during many Christmas seasons in the past. In Honduras, the majority of the people are poor. I sometimes sense that we live with more [word indistinct]. Honduras is and has been for many years the second poorest nation on the American continent. Seventy percent of the Hondurans have lived in conditions of extreme poverty from time immemorial. Our poor people do not have enough to eat. Really, we should not be concerned about this only during the Christmas season; we should be concerned every day. This is the concern of my government and this too is my concern as a citizen, as a Christian, and as a man of good faith who is interested in solving the people's problems. Poverty, however, is a reality. It is the truth of our lives. Poverty must be eliminated. It must be changed. Our society demands and requires us to eliminate poverty. Christmas is an important season for us. Our poor people, however, have to face the problem of how to feed, educate, clothe, and shelter their children every day of the year. [passage omitted]

[Journalist] Mr. President, Victoria Mejia asks you what measures will be adopted should war break out in the Middle East?

[Callejas] That would create a really dramatic situation. Petroleum could reach $80-100 price levels. This would take away our ability to buy petroleum or its derivatives. I have thus ordered the economy minister to start an emergency program on 1 January to prevent problems [conflicto] on 15 January and beyond. This will require a number of provisions to radically reduce consumption to ensure that our current stock lasts until early February. There is no doubt that we will be forced to reduce our fuel comsumption to the minimum required level should there be a conflict of this nature. [passage omitted]

[Journalist] Roberto Perdomo asks you whether you are afraid that the adoption of these measures could turn Honduras into a Nicaragua or El Salvador?

[Callejas] No, quite the contrary, we are on a path that will lead us to economic recovery. Let us remember that for 10 years we registered negative growth and that this slow down of the economy generated poverty, resulted in bankruptcy of the Republic's government, hurt our international credibility, and reduced investments. We are correcting these mistakes that we inherited to reverse this trend and bring about a growing economy that will allow us to generate jobs and social well-being.

[Journalist] Regarding El Salvador, Mr. President, at a meeting of unions in northern Honduras, the negotiating platform of [word indistinct] compared Honduras to El Salvador in the case of the 14 families. What is your opinion? A local newspaper even reported a [word indistinct] of 14 families.

[Callejas] They know that their claim is untrue. Honduras is not facing similar conditions. Where is Honduran capital? The main producers of Honduran wealth are banana companies. Banana companies alone have a larger share of the volume of wealth and capital than the entire list that they presented and that I do not agree with. They know that their claim is untrue.

[Journalist] What investment programs will you implement in rural areas to keep the people there from heading for the cities?

[Callejas] We want to bring about a recovery of the country's agricultural economy. With this in mind, the second phase of our economic program is basically aimed at bringing about the recovery of the traditional sectors: coffee, sugar, bananas, palms, forest, shrimp breeding, and basic grains. This will generate growth in the productive sector.

It is very important to note that in the past few years the agricultural sector has reduced its share in the national economy. We must reverse this trend. The only way to keep Hondurans working in the countryside is to ensure they they will be able to earn enough money to live a dignified life there.

[Journalist] Mr. President, Edgardo Rodriguez asks you why you are asking the people to tighten their belts in the face of this crisis when you have purchased a car valued at 475,000 lempiras for your wife?

[Callejas] Questions like this are unfounded. It is not true that I purchased a 475,000 lempira vehicle for my wife. I bought her a much less expensive Toyota before I was inaugurated. The car you are describing must be the Lexus.

[Journalist] Yes, of course.

[Callejas] I purchased her a car so that she would not have to drive a vehicle belonging to the Social Welfare Board. Norma drives a [2-second break in reception] car. I frankly cannot afford to and even if I did, I would not buy a vehicle costing that much. I could not do it. [passage omitted]

[Journalist] Mr. President, the program is about to end. Thank you for appearing here with us tonight. I understand that you will give an end-of-year message on 31 December. Will the message be a positive one for the country? What can we expect for next year?

[Callejas] Yes. Carlos and Edgardo, I really appreciate your inviting me to your program. I want to take this opportunity to sincerely thank the Honduran people for their attitude toward me and for their respect. They all do not necessarily agree with my government platform or its programs as can be seen in recent polls. When I am with the Honduran people, however, I feel their respect and affection. I thank them because their attitude motivates me to continue working to improve the country's future with optimism. What will we have at the end of the year? I will give a speech to let the people know the government's main achievements during this year and to indicate our expectations for the future. I am optimistic about the future. The country is improving. The economic situation will improve. Our government program has survived despite the many economic and fiscal adjustments that had to be made. 1991 will be a year of economic recovery and social redress. It is true, 1990 has been a very difficult year. I do want to tell the Honduran people, however, that the country I found was bankrupt. It is my responsibility to get it to prosper. My commitment to the Hondurans is to leave the nation in better shape than I found it. My government term lasts four years. When I leave the Presidency in 27 Janaury 1994, the people will notice that I have kept my promises to them.

[Journalist] Mr. President, [words indistinct] and with Carlos' permission, three more questions. One I believe is really important as it concerns the floods in the northern coast of Honduras. Is there a concrete plan to ensure that such a situation can be controlled and will not happen again soon.

[Callejas] My government's priority program is the Sula Valley flood control program. It will take a generation to implement this program. This cannot be done in 24 hours, a year, or five years. The program requires at least 25 years to be implemented and a minimum investment of 600 million lempiras. We have started it, howver, and actions in this direction have been made. My government hopes to invest approximately 60 to 90 million lempiras in the Sula Valley area. This amount is to be used to control floods and to improve the lot of our fellow countrymen in the Sula Valley area. They have suffered a great deal and for too long a time.

[Journalist] Mr. President, the public service rates have increased. Have they improved?

[Callejas] The public services rates were not increased for everyone. The rates in some sectors have decreased. It is interesting to see the data on this. The CID-GALLUP poll indicates that 42 percent of the Tegucigalpa residents reported that public service rates had decreased. I believe this has benefited the user directly. Moreover, the objective of increasing the public services rates is to allow for service improvement and this will also benfit the user. It is difficult to measure the benefits that will result from the new public service rates after such a short period of time but, undoubtably, there will be benefits.

[Journalist] The last question, Mr. President. During your visit to Georgetown University—I believe it was to receive an award—you stated that the Armed Forces would have a new role. What will be its new role?

[Callejas] The Armed Forces will participate more actively in the country's development. The Armed Forces actions will be geared toward production, civic action, and the management of our environmental resources. The Honduran Armed Forces has already made changes and continues to move in this direction. Our military institution is aware that it needs to have a more active participation in the country's life.

[Journalist] Mr. President, thank you very much.

[Callejas] Thank you. Good evening to you. Before I leave I want to apologize to my fellow countrymen who are inconvenienced with the motorcycle patrolmen who disrupt traffic every morning so that my vehicle can go through the streets expeditiously. The reason for this is that I need to get to work early. Thank you.

Armed Forces Commander on 'Terrorist Acts'

PA2812175190 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 27 Dec 90

[Report on interview with Armed Forces Commander in Chief General Luis Alonso Discua by reporter Jose Rolando Sarmiento in Tegucigalpa on 26 December—recorded]

[Text] [Sarmiento] The commander in chief of the Armed Forces will refer to the incidents in Tegucigalpa over the weekend, when dynamite attacks endangered many people.

[Discua] We must act firmly. Anyone detected in these activities will be arraigned before the courts and justice will be dealt.

[Sarmiento] It is expected that the authorities will present enough evidence because the suspects arrested have claimed in court they are innocent.

[Discua] I believe that in this case there are witnesses who saw them. I believe it is enough to sentence them.

[Sarmiento] Is this part of a terrorist escalation in the country?

[Discua] You have heard about bombs on the northern coast. Tnere were two bombs. Here we discovered two of them in time and we prevented a tragedy. You can draw your own conclusions from this.

[Sarmiento] What could motivate these hotheads to carry out these acts against Hondurans?

[Discua] The world is changing. You have seen what has happened in Eastern Europe, perestroika and glasnost. All this means there are changes. I believe, however, that we must watch these cases very carefully.

[Sarmiento] Could it be that these people are aloof from what is happening in the world as far as ideology is concerned?

[Discua] As you can see from recent events, I believe that there are always people who want notoriety for this country.

[Sarmiento] Should we let them form a political party so that they will stop this violence?

[Discua] First of all, we must refer to the Constitution. It clearly states who can form a political party, and logically we have to respect the Constitution.

[Sarmiento] Have the Armed Forces discovered to which subversive organization the people involved in these terrorist acts belong?

[Discua] I believe that if the director of public relations issued a statement, he did so based on what these people had testified to. I do not believe that these statements have been made up by anyone.

[Sarmiento] How do you interpret that a few days ago leftist elements said that they want to return to the country the day the government reaffirms respect for human rights? On the 42nd anniversary of the agreement, it was stated that they can return to the country if they wish to return and live in peace. Yet a few days later, we see acts of this kind that endanger the lives of many people in the capital city.

[Discua] I believe that placing bombs or carrying out terrorist acts is not the language of civilized people. I believe that the era of the caveman has ended in this country. I believe that the best way to reach an understanding is through dialogue. We have carefully read the requests made by these people who want to return. No one has been expelled from this country. Our borders are open to anyone born in Honduras and who loves this country.

[Sarmiento] Do you affirm then that the doors are open for them to return and find what they are looking for in a climate of dialogue and understanding in democracy.?

[Discua] I told you that civilized people use only dialogue and not violence, because violence only generates more violence.

[Sarmiento] What is generated by the outlaw conduct of placing bombs and endangering people's lives?

[Discua] All the bombs were placed in supermarkets, and everyone goes to the supermarkets. This means that the attack was not directed against any particular person, but against the Honduran people in general

[Sarmiento] What are the Armed Forces' plans to face this type of action?

[Discua] The Armed Forces mission, as stated in the Constitution, is to guarantee tranquillity and to enforce law and order.

[Sarmiento] Does the presence of judicial authorites during these operations mean that the Armed Forces want to do everything according to our laws?

[Discua] That is right. The judge's presence was meant as a sign of respect. There must be no more missing persons. All these operations must be carried out according to the law. That is why we took a judge along, to draw up a notary document. We must impose justice in this coutnry. I believe that justice is imposed according to who is right and according to our laws, not by force.

[Sarmiento] Apparently an organization has identified itself with this situation. It claims they are protesting the government's economic measures.

[Discua] No. I believe that this might be so. I do not believe, however, that this is the most civilized way to hold a dialogue and to express viewpoints. I believe there are other ways. In Honduras there is freedom of expression. You are well aware of that. The Armed Forces now

have the best moment to hold a dialogue with any group. I believe that the most civilized way is the media. They can say what they want, but they must not use violence to destroy children, women and any human being who is around.

[Sarmiento] Can we expect more attacks of this kind?

[Discua] We are always watchful. We are ready for anything that might happen. That is our duty, to guarantee the people's tranquillity.

[Sarmiento] When we asked General Discua if the Armed Forces could hold a dialogue with the subversive groups within and outside our country, he said that the institution is accessible and likes to hold dialogues.

[Discua] We are accessible. We are ready to hold a dialogue as long as we act as civilized people, not resorting to terrorism, as they have done. Please bear in mind that the bombs were not meant for any supermarket. They were meant for the human beings, children, women, and everyone who was around. Why did they choose a specific hour? To destroy human beings. I believe that only God can take a human life. [Following three paragrpahs as heard]

[Sarmiento] In conclusion, the commander in chief of the Armed Forces said that the presence of U.S. troops in military training maneuvers in Honduras is part of a treaty signed in 1954, and he respects that treaty.

[Discua] I believe there was an agreement signed in 1954. I believe that if I were to say that, I would be violating a bilateral agreement. I obey the laws.

[Sarmiento] He said this in regard to the U.S. troops leaving in January 1991.

Armed Forces Spokesman on Bombs Planted 26 Dec

PA2912170390 Tegucigalpa EL HERALDO in Spanish 27 Dec 90 p 36

[Text] The Honduran Armed Forces Public Relations Director, Colonel Jose Oscar Flores, defended the Army on 26 December by saying that it has no connection to the bombs that were planted, as some opposition sectors—mainly union leaders—have hinted.

The officer said that the Armed Forces do not intend to harm the country's union movements, although he said that they will never agree with those who plant bombs and push Honduran society towards a crisis.

The Armed Forces' position "is to respect honest union movements that agree with strengthening the democratic system; however, the fact that two men, like Juan Jose Baca Nunez and Marco Tulio Funez Duarte, are activists for a union does not necessarily mean that all Honduran unions are responsible."

According to Col. Flores, "there are scoundrels everywhere," that is to say, there are people who allow themselves to be used for unspeakable tasks and some times even for money.

"We respect the union movement and we maintain our friendship with the different groups in the country, but we will not allow the actions of those two individuals, who were found as they were placing bombs in the Sucasa supermarket, to be tolerated," said Flores.

Later on, Col. Flores said that the law must be applied to Jose Baca Nunez and Marco Tulio Funez Duarte because they are both responsible for terrorist attacks in the country.

Neither one of the accused men was forced to do what they did and the judge who found one of the men with the explosives in his hand at the scene of the crime is a witness to that fact.

"All criminals have their excuses and no one wants to take responsibility for their actions," said the colonel when commenting on what Jose Baca Nunez and Marco Tulio Funez Duarte said at the courts. The two men said that they had been forced to accept responsibility for planting bombs in commercial places throughhout the capital.

Col. Oscar Flores said that the Armed Forces' operations have been successful and so far, they have neutralized the attacks, but he admitted that the skills of the Morazanist Front for the Liberation of Honduras are good because they have been trained in Libya and Cuba.

Government Condemns 23 Dec Suriname Coup

PA2912044490 Hamburg DPA in Spanish 0240 GMT 29 Dec 90

[Text] Tegucigalpa, 28 Dec (DPA)—The Honduran Government this afternoon expressed its profound regret over the overthrow of Suriname's legitimate government by the country's military forces.

According to a communiuqe issued by the Foreign Ministry, the Honduran Government hopes that the legitimate government will be "restored as soon as possible."

On 23 December the Army overthrew the government headed by Surinamese President Ramsewak Shankar and installed a military junta. The coup leaders said that the junta will call elections in 100 days.

Honduras states that the trampling of the people's will expressed through free elections violates the democratic principles shared by the countries of the American continent.

Nicaragua

D. Ortega Delivers FSLN End-of-Year Message

PA2912043290 Managua Radio Sandino in Spanish 1200 GMT 28 Dec 90

[Text] Former President Daniel Ortega delivered the Sandinist National Liberation Front's [FSLN] end-of-year message yesterday. He said that the February election was the most important event of 1990 because it was a reaffirmation of the democratic process in Nicaragua.

He said that the disarming of the contras was the most important political event of the year. He described the October agreement on a national concerted effort as an expression of the people's desire for peace and stability.

Ortega pointed to the unarmed counterrevolution as one of the year's negative aspects. He used the words unarmed counterrevolution in referring to the movement being led by Vice President Virgilio Godoy and a number of deputies, mayors, and former contras.

In the opinion of the former president, terrorist attacks, the assassination of Sandinists, the failure to establish the whereabouts of people kidnapped by the contras, and unemployment were other negative aspects of 1990.

The FSLN leader said that in 1991, a struggle must be waged so that all Nicaraguans can have a job. Ortega said that unemployment was terrible during the year now drawing to an end and that this had been the result of the government's controversial policy.

Ortega said that vengeful attitudes must disappear this new year and that wealth must be shared with a spirit of justice.

The former president said that next year's challenge will be the attainment of national stability. He noted that this stability can be secured only if the government respects revolutionary accomplishments, gives land to the peasants, and creates jobs.

Workers' Front Supports Chamorro Peace Efforts

PA2912021890 Paris AFP in Spanish 2148 GMT 28 Dec 90

[Text] Managua, 28 Dec (AFP)—The National Workers' Front (FNT-Sandinist), which consists of approximately 200,000 employees, today offered to support the efforts of President Violeta de Chamorro's government during 1991 to "strengthen social peace" in Nicaragua.

The Sandinist federation issued a communique indicating, in what seemed a change in the policy of confrontation it has maintained throughout 1990, that it will support "the process to stabilize the economy," but warned that it will remain alert so that "the workers do not have to pay the costs of the crisis."

The statement of the Sandinist labor union coincided with the one issued yesterday by former President Daniel Ortega, who said in a Christmas message that the challenge for 1991 is "to cooperate and support the country's economic development with a spirit of truly democratic justice."

The FNT, like Ortega, referred to this and promised to support "efforts to obtain external resources to overcome the crisis."

Nevertheless, the Sandinist labor unions emphasized that they will demand that the government reduce inflation, which reached 12,000 percent in 1990.

In May and July, the FNT sponsored two national strikes to demand that Violeta de Chamorro's government respect the "people's achievements" during the Sandinist regime, particularly agrarian reform.

Following lengthy discussions, the two sides reached important agreements that, according to the former president, might be "the point of departure for 1991," as far as the country's stabilization is concerned.

Ortega said: "It is easy to achieve stability by respecting revolutionary achievements, providing employment, and better distributing the riches."

Ortega said that he hopes "the Nicaraguan people will work to strengthen democracy in 1991, which means recognizing the irreversible fact of a change in power," which occurred in February, when the Sandinists were defeated in the elections in which Chamorro emerged victorious.

Panama

Government Intelligence 'Services' Noted

PA2812220190 Panama City EL SIGLO in Spanish 27 Dec 90 p 5

[From the "Leaks and Tips" column]

[Text]**The Intelligence "Services"**

In a fully democratic regime, the government has more intelligence and espionage services than any other government. Let us see: The Presidency has its intelligence service; the government and Justice Ministry has its public security advisory office; the Judicial Technical Police has its intelligence service; and the government also has a Security Council. With so much protection, the government surely does not need the help of U.S. intelligence.

LA PRENSA on Intelligence Office

PA2812220490 Panama City LA PRENSA in Spanish 27 Dec 90 p 1A

[Report by Jose Quintero de Leon]

[Text] For the first time in Panama's history, an intelligence office is operating from the Presidency. This

office, which began its operations last February, is made up of 100 Panamanian spies trained by the Central Intelligence Agency (CIA), with the backing from the U.S. Department of State and the Chinese (Taiwanese) and Venezuelan Governments, with a reported budget of 2 million balboas.

The information was disclosed by the U.S. newspapers THE MIAMI HERALD and THE WASHINGTON POST in their 24 and 25 December editions. The reports identify as the director of the so-called "Council for Public Security and National Defense" [Consejo para la Seguridad Publica y Defensa Nacional] none other than Menalco Solis, President Guillermo Endara's partner and former minister of the military regime. According to these sources, the chief objective of this agency is to gather information regarding ideological threats to national security, including local "troublemakers." This term covers opposition figures who organize demonstrations and pickets.

Another target is the new National Police force that has been created with holdovers from the defunct Panamanian Defense Forces of ousted General Manuel Antonio Noriega. As a Presidency official has admitted, the agency "will keep an eye on the police because we cannot let the monster rise again." To achieve that goal, the agency will also gather information regarding threats from abroad, a danger that U.S. Ambassador Deane Hinton downplayed not long ago during an interview.

Upon learning of these reports, LA PRENSA tried to find out how our budget can include such an allocation considering current financial constraints. A ranking official of the Comptroller General's Office noted that it is hard to detect who is bankrolling the intelligence office established by the Presidency. If this is really happening, the agency's expenditures could be camouflaged in the payrolls of different ministries, the official remarked.

"The truth is that the Comptroller General's Office does not have a clear record of it, otherwise, it would have put a stop to it," the official indicated. In sum, the "Council for Public Security and National Defense" is operating directly under President Endara, and it reports to him alone. In turn, if Endara deems it appropriate he can disclose details to the government and justice, planning and economic policy, and foreign ministers.

Intelligence Office Budget Revealed

PA2812221190 Panama City EL PANAMA AMERICA in Spanish 28 Dec 90 p 10a

[Report by Juan Pritsiolas]

[Text] A Planning and Economic Policy Ministry report, including estimates for the government's revenues and expenses for 1991, has revealed that the intelligence office that operates in the Panamanian Presidency, and which according to U.S. papers includes officials trained by the CIA, has a budget of 1.03 million balboas for 1991.

The aforementioned office has been called the Executive Secretariat of the Public Security and National Defense Council, and it was created through Cabinet Decree 38 of 10 February. Menalco Solis, former Panamanian minister and partner of President Guillermo Endara, is in charge of the office.

The body of Panamanian spies has 44 employees, including computer programmers, security guards, analysts, secretaries, administrative assistants, electronic technicians, radio operators, managers, manual workers, and mechanics.

The security guards I [not further specified] earn a monthly salary of 400 balboas; the security guards II earn 600 balboas per month; a manager III earns a monthly salary of 1,250 balboas; a computer programmer earns 1,000 balboas per month; administrative assistants earn 800 balboas per month; and the executive secretaries earn 750 balboas per month.

The Executive Secretariat of the Public Security and National Defense Council 1991 budget includes the following allocations: permanent payroll (477,336 balboas); representation allowance (12,000 balboas); rent (30,000 balboas); water (5,000 balboas); cleaning services (2,000 balboas); electricity (25,000 balboas); telecommunications (20,000 balboas); printing (10,000 balboas); per diem in the country (40,578 balboas); per diem abroad (40,000 balboas); transportation in the country (20,000 balboas); transportation abroad (30,000 balboas); other commercial services (50,000 balboas); other maintenance and repair expenses (30,000 balboas); food (25,000 balboas); clothing (6,000 balboas).

The 1991 budget also includes gasoline expenses (67,000 balboas); stationery (25,000 balboas); other construction material (27,000 balboas); tools (25,000 balboas); military materiel and equipment (10,000 balboas); spare parts (15,000 balboas); and other expenses (12,000 balboas).

Further on Budget

PA2912225390 Panama City EL SIGLO in Spanish 28 Dec 90 pp 1, 6

[Report by Aneldo Arosemena]

[Text] The Presidency of the republic spends $3.5 million per year on security and espionage services. The spies and analysts of the National Defense and Security Council, which is headed by former Noriegist Minister Menalco Solis, are paid with money that used to be allotted to the Radio Nacional payroll.

After much effort, this journalist managed to obtain Executive Resolution No. 21 of 13 July 1990 in which President Endara eliminated the positions contained in entry 0030400000001 for Radio Nacional and created 15 positions ranging from computer programmers earning $1,000 per month to manual laborers earning $150 per month.

We also managed to obtain Executive Resolution No. 23 of 18 July 1990 in which personnel changes were made in Radio Nacional, a station that used to be under the Presidency. This change was implemented in order to create new positions for the National Security and Defense Council that were approved by the Planning and Economic Policy Ministry. These positions range from third-level administrators earning $1,250 per month to executive secretaries earning $750 and security agents or "democratic informers"—as a Noriegist political opponent described them—earning $400 per month.

We also obtained the total annual operational cost of this security organization headed by Menalco Solis, who served as finance and treasury minister under the puppet government of Nicolas Ardito Barletta.

The total annual operational cost is $1,032,994 and is distributed as follows: permanent personnel, $477,336; permanent personnel expenditures, $12,000; other rent, $30,000; water, $5,000; cleaning services, $2,000; electricity, $25,000; telecommunications, $20,000; printing and binding, $10,000; local traveling, $40,578; traveling abroad, $40,000; local transportation, $20,000; transportation abroad, $30,000; other commercial services, $50,000; other maintenance and repair expenditures, $30,000; food, $25,000; clothing, $6,000; gasoline, $67,000; stationary, $25,000; other construction material, $27,000; tools and instruments, $25,000; military materiel and equipment, $10,000; other supplies and materials, $20,000; spare parts, $15,000; unforeseen expenditures, $12,000. These are the annual expenditures of Solis' intelligence service and are already included in the 1991 state budget. A copy is being kept at the Planning and Economic Policy Ministry's Planning Directorate.

The so-called "Institutional Protection Service" [SPI], which is in charge of protecting the president and his family, has an annual budget of $2.524 million. Its payroll is $117,000, and, according to the 1991 budget, it spends $159,500 on "military equipment and materiel." The SPI and Menalco Solis' espionage service depend directly on Endara and administratively are part of the Ministry of the Presidency.

As can be seen from the personnel structure of the "National Defense and Security Council," it employs many technicians in computers and electronic maintenance. It also employs many radio operators, which leads us to presume that it places great importance on electronic eavesdropping and bugging telephones.

Menalco Solis, executive secretary of the National Defense and Security Council, was minister of finance and treasury under Nicolas Ardito Barleta's government. For several years, he has been a partner of President Guillermo Endara in the firm Solis, Endara, and Delgado. Despite his shady political past, he is a friend of, and is very trusted by, President Endara At the beginning of his administration, President Endara appointed Solis as adviser to the Presidency. This appointment irked many civil service employees and members of the other political parties of the alliance that makes up the present government. This criticism has apparently not surfaced, however, because of the great influence that Solis has over Endara.

Meanwhile, this reporter has learned that Menalco Solis' son, Javier Solis, is the head of the Data System Department of the Comptroller General's Office. This department controls all the government's computer data and thereby has access to very delicate and confidential information.

Article 16 of Cabinet Decree No. 38 of 10 February 1990 calls for the establishment of a "presidential advisory body on public security and national defense matters presided over by the president and comprised of the ministers of government, foreign relations, and planning, who will be advised by the heads of various Public Force services as warranted. [no closing quotation marks as published] The president will also appoint this organization's executive secretary, who happens to be Menalco Solis in this case, who must keep Endara informed about public security and national defense matters and draft documents pertaining to the issues discussed by the council. This is the legal basis of the espionage system that operates in the Presidency of the republic. In voicing his opinion about the fact that Menalco Solis was appointed to head this office, university professor Miguel Antonio Bernal said that "placing Menalco as head of this espionage agency is tantamount to placing Dracula as director of a blood bank."

Legislators Criticize 'Espionage' Office

PA2812221390 Panama City LA PRENSA in Spanish 28 Dec 90 p 1

[Report by Nubia Aparicio S.]

[Text] Legislator Gloria Moreno de Lopez has said it was illegal for the executive branch to create an espionage agency because such an office would have to be approved by law at the legislative branch.

"Such an institution cannot be created with a cabinet decree," the legislator said. She added that it is impossible for the president and the Legislative Assembly to be legislating separately.

The statements were made after two U.S. newspapers reported that for the first time in Panamanian history an intelligence office will start operating in the Presidency, in February. This office will have 100 Panamanian spies trained by the CIA and will have the support of the U.S. State Department and the Taiwan and Venezuelan Governments.

The legislator protested that "if he (the president) is going to legislate with cabinet decrees, then let him eliminate the Assembly. If the laws are to be approved by the legislative branch, however, then we, the legislators, have to approve them."

"We cannot and will not stand this situation," the legislator said, adding: "What are we here for then?"

The Christian Democratic legislator for electoral district 8.9 said that "a horrible arms buildup is taking place on the premises of the Presidency. It has gotten to such a point that it is frightening to go to the the Palace of the Herons because there are weapons all over the place and there are even large-caliber weapons." Lopez said the situation is worse because the persons carrying the weapons do not even wear uniforms.

She added: "After the change of government, we cannot accept a return to the same illegal actions committed by the previous regime, such as spying on citizens to the point of listening to their telephone conversations."

According to Lopez, the matter has to be investigated by the Legislative Assembly because the executive branch is not empowered to organize this type of investigative agency. She added that the scope of responsibilities of each branch of government must be clearly defined "because we cannot accept interference and much less abuses of functions."

On the subject, Legislator Raul Ossa said it is a scandal that the democratic government "makes efforts to install offices that Panamanians have been fighting to destroy."

"If the espionage system, which has been reported and has not been denied up to now, exists, it is nothing more than a civilian version of the G-2 [military intelligence] office that Noreiga had in a military version," said the deputy.

The legislator stated that the creation of such an office was as repulsive as the G-2, and added: "This is the right time to make all the corrections needed to live in a democracy of justice and rights."

Ossa said the possible creation of an espionage office is "scandalous" and criticized the fact that telephone calls are being intercepted and personnel hired for activities that have not been included in the budget.

The legislator noted that "the highest levels of the executive branch have to openly say something about the matter so that Panamanians can have faith in the democractic system that is being forged."

Further on Legislative Concern

PA2812221690 Panama City Circuito RPC Television in Spanish 1730 GMT 28 Dec 90

[Text] Panamanian officials expressed concern today over reports stating that there is a secret intelligence office at the Palace of the Herons, headed by Menalco Solis, a former Manuel Antonio Noriega ally.

The Presidency spy office is called the National Security Council. It has existed since last July, and it has 100 Panamanian agents trained by the CIA.

A report published in the THE LOS ANGELES TIMES stated that the mission of the National Security Council, which is an espionage office operating in the Panamanian Presidency, is to keep a close eye on local troublemakers and to pick up information on foreign threats.

The newspaper report adds that the issue is especially sensitive in Panama, because the G-2 [former Panama Defense Forces intelligence unit] office led by Noriega for 20 years spied on the Panamanian people.

Meanwhile, Panamanian legislator Leo Gonzalez said today that the Legislative Assembly was not informed about the existence of the office. Gonzalez stated: We will have to investigate this issue.

Legislator Milton Henriquez stated that he is worried because such a sensitive and dangerous security body is headed by a close collaborator of Noriega.

U.S.-Panamanian Relations Criticized

PA2912014090 Panama City LA PRENSA in Spanish 27 Dec 90 p 25A

[Report by Rolando Villalaz]

[Text] Foreign Minister Julio Linares has made statements to the local and international press in which he states that "one year after the U.S. invasion, 99 percent of the world's nations have opened their doors to Panama."

With regard to the "civic action" being carried out by the U.S. Army in countryside communities, Linares said: "I believe that the U.S. forces' civic action benefits the nation more than would our turning it down, just because there are three, four, or five people who claim a pseudo-nationalism."

It is regrettable that less than 20 days after having requested the U.S. Government's military intervention to resolve an internal problem, Panama's foreign minister tells us that a majority of nations have opened their doors to Panama. No one can deny that our country was isolated in the past, given the arrogant and repressive attitude of the military in power. Neither have we forgotten that agencies such as the CIA, the DEA, and the Pentagon—U.S. Government institutions—financed, endorsed, and supported that militarism for 21 years.

Marco Tulio Bruni Celli, president of the OAS Human Rights Commission, the same organization that accused Noriega of Dr. [Hugo] Spadafora's death, has just told us that for over a year now, power in Panama has been exercised by foreign troops. Panamanians voted on 7 May 1989 for a change—that is, a change from those who were currently governing the nation. No one in Panama voted for the murder of innocent civilians by a foreign army, when that same foreign army had been partner and friend to the military that had this country in ruins. Is it not strange that within the Panama Defense Force,

the only victims were the troops or low-ranking officers, while nothing happened to the high-ranking officers?

Despite some serious efforts to consolidate a democratic system, no one is fooled by the fact that the same Constitution—born out of a dictatorial and military regime, which the so-called "process" forced upon us—continues to govern us. Internationally, as a nation, we do not have a good image. Here, military officers, former legislators, and delinquents repeatedly escape from our authorities, and no one knows what is going on and no one is held responsible. It certainly holds true that we want to construct a society based on democracy, but this begins by returning to the government its legitimacy, which was tainted on 20 December. We cannot imagine talking about "democracy" with individuals who became rich by supporting militarism and who now want to appear before us as "civic crusade members and democrats."

When Noriega and his slaves carried out joint maneuvers with the U.S. Army in Veraguas, Chiriqui, and Bocas del Toro, here in Panama, honest people protested. These people protested, despite ERSA's [Renovacion Publishing Company Inc.—the regime's mouthpiece] campaign, which labeled the then opposition "pseudo-nationalists." When we criticized this country's so-called National Guard Civic Action during the hey-day of militarism, we did so because such tasks are not the military's responsibility. They must be carried out by the corresponding institutions, such as the MOP [Public Works Ministry], the Health and Education Ministries, etc.

We all know that the objective of the civic action is to make the rural communities view the military as their salvation, as the source of assistance that the civilian government does not provide. If the current government has this objective, let it say so clearly, without hiding its intentions. If the U.S. Government is sincere about providing civic action assistance, why does it not give that money to the Panamanian Government so that the Panamanian Government can carry out this program? No one is opposed to aid from friendly countries, but we must clearly understand that assistance is one thing and letting others do everything for us is another. If there is an agreement that calls for the Southern Command to engage in civic action throughout the country, let the agreement be made public, and if they are going to provide for health, education, and road construction and maintenance, then let us close the corresponding ministries and institutions because it is not suitable to have several organizations performing the same work, which would be a waste of money that could be used to take care of social needs. Let us remember that for 21 years we criticized the military for giving priority attention to repaying the foreign debt, not resolving the needs of the people. Why do current government officials not explain to international financial organizations that no one in Panama is going to pay a debt that only served to make a few shrewd people rich and to finance projects that failed? Why should the Panamanian people pay for the abuses of a dictatorship that squandered the state's money with the knowledge of international financial organizations?

All Panamanians hope that 1991 will bring true democratic consolidation and that we will cease to work under the structures that served as the foundations for militarism. If this country does not have a genuine national dialogue, with all the sectors outlining their goals and objectives, then we will be getting close to the tragic situations that Central America has endured. Panama's crisis is structural and deeply rooted. Those unable to realize this will be responsible for whatever happens. The military tried to resolve problems with patches and scraps, which concluded with the 20 December 1989 episode. Will we learn from the lessons of history?

Linares Views Torrijos, Current Foreign Policy

PA2812144590 Panama City EL DIARIO INDEPENDIENTE in Spanish 26 Dec 90 pp 14,15

[Report on interview with Foreign Minister Julio Linares by Luis Vejarano in Panama City; date not given]

[Text] General Torrijos' foreign policy was remembered as structured, nationalist, independent, and nonaligned. It was within this policy framework that the 1977 Torrijos-Carter Treaty was signed. Having made this reference, Foreign Minister Julio Linares was asked if the current government has decided to follow the same policy, or has it considered redesigning foreign policy.

Foreign Minister replied that it is not a question of redesigning foreign policy because there are clear objectives in our foreign policy that are basically in the nation's interests. Linares noted: "I believe it was convenient for Panama's presence to be felt during the negotiations. General Torrijos' greatest success during the Torrijos-Carter Treaty negotiations was that he made the international community aware of Panama's unequal struggle with the United States. This is an unquestionable merit on his part. And, should we find ourselves in similar situations—particularly because the treaty being negotiated at that time involved the canal, which is of interest to the international community as a whole—I believe we should continue this policy. After that stage, however, Gen. Torrijos continued being politicaly prominent, wanting to play the role of a top international leader, which was not the role corresponding to a ruler of Panama. One must accept its limitations as a nation, as well as the political and economic power it has."

Foreign Minister Linares stated that our foreign policy should basically be focused on the neutrality of the Panama Canal. Linares added that in order for the canal to be truly neutral, it is essential for Panama to be on the best terms with all the nations in the world. He stressed, however, that for Panama to have good relations with all nations, we should neither meddle in world conflicts nor take part in or state our position involving a third

nation's conflict. In this regard, we must acknowledge that Torrijos' foreign policy was very forceful.

Nonetheless, a foreign policy of this nature would not be fitting for Panama's objective, which is the canal's neutrality. In this regard, Linares noted: "Switzerland is an example of a neutral nation that is not even a UN member because it believes that this forum debates certain issues and adopts positions that could affect its status as a neutral state." Linares stressed that playing a leading role in the international community does not befit a policy of neutrality." [no opening quotation marks as published] Linares remarked: "It is good that this is known because the foreign policy that is being implemented could be considered as not being energetic, and that we are passing from a leading to a more moderate role, but there is a reason for this stance," he concluded.

Questioned about the possibility of Panama's foreign policy of neutrality being applied to the whole isthmus, Linares answered that neutrality should not be limited to the canal, but it should instead cover the whole isthmus. Linares said that he proposed this a couple of years ago during a conference where he spoke to business executives. He argued that if we consider the fact that the canal is in the middle of the republic and that it links the cities of Panama and Colon, which are the most populous in the country, the whole isthmus of Panama should be neutral.

Because Panama still has a neutrality treaty with the United States, in view of this treaty the Americans will maintain their military presence until the year 2000, this is not the right moment to declare the isthmus neutral, but we have to get there, said Foreign Minister Linares.

Regarding the balance of the work he has carried out over the past year as head of the Foreign Ministry, Linares said that one of his main achievements is that the international community has realized that Panama is carrying out a totally independent foreign policy corresponding to its national interests. Due to this, relations with other nations are now more solid, and Panama's presence as an independent country is being felt more every day, said Linares.

Linares accepted, however, that "there is still much to be done because, unfortunately, we do not have the foreign service we wish."

Linares noted that economic reasons have made it impossible to appoint the heads of consular offices. The Foreign Ministry has had to limit itself as much as possible. Owing to that situation, a concurrent ambassador had to be appointed to serve in several countries. A concurrent ambassador, he explained, is when a person serves as ambassador in two or three different countries and resides in one of those countries. In this respect, the foreign minister said, "I feel that diplomatic and consular missions represent a window to the world and the larger that window the better we can make our needs known and give a favorable image of Panama, chiefly now that the best image of Panama is being projected abroad."

Linares stated a great deal has been achieved and that several Foreign Ministry departments are being reorganized to make them more efficient and effective. Work already is under way on a charter law for the ministry and foreign service. Visibly moved, Linares recalled that when he took office, half the world had closed its door to us due to the U.S. military action in Panama.

Commenting on the way foreign policy is implemented, the minister said one must not resort to demagoguery, but instead tell the truth. The foreign policy of many countries is basically demagogic, and this causes great harm. He added that many people who run foreign policy think things must not be clearly stated. Linares said that in his opinion, foreign ministries should state their positions clearly and tell the people what is being done, except when negotiating treaties when confidentiality is always advisable.

Foreign Minister Linares said that although he has often disagreed with the Panamanian negotiators of treaties signed by Panama and the United States, he is certain that all of them, without exception, have always tried to secure for Panama the best results. He said: "Unfortunately, it is not easy to negotiate with the United States. It is no simple matter. It is difficult and, most of the time, we secure not everything we want but what we can. What I find deserving of criticism is the fact that when one cannot obtain 100 percent of what one wants, but only 50 percent or less, this is portrayed as a big victory, although that percentage is not the most advisable thing for Panama."

Linares said he acknowledges and admires the efforts, although sometimes we get too involved in a negotiation and make the error of presenting triumphant attitudes as the best. He explained that when on 5 December he was asked for his opinion about what had happened, he was right in stating that having to choose between two evils, the government's decision was the best possible. He noted: "I, like the rest of the Panamanians, could not possibly like having foreign forces come to Panama to maintain public order to prevent another coup d'etat, but the alternative was a military dictatorship now, when we have just pulled out of one that lasted 21 years. This alternative was worse than the first one."

We told Foreign Minister Linares that many Latin American chiefs of state are not prepared to maintain strong relations with Panama if U.S. military meddling in the country does not end. Linares answered that this government has been functioning since 20 December 1989 without U.S. meddling and that the U.S. Government has never told the Panamanians how they must behave.

After calling 20 December date a day of reflection, the foreign minister indicated that, one year later, Panamanians must think deeply about the causes, incidents, and circumstances that led us to that serious situation so that it will never happen again. Linares added that an invasion took place, but we must not regard it as synonymous with everything negative. He stressed there was an invasion from the moment that a foreign power toppled

the government of the time by armed means. We must also recognize, however, Linares remarked, that the invasion served to liberate Panamanians from a de facto regime they had been subjugated to for 21 years.

EL DIARIO INDEPENDIENTE was present when Linares denied the presence of U.S. military advisers in state institutions and demanded that the opposition parties point them out. Linares acknowledged, however, that the United States still has some military policemen helping the Public Force and is conducting activities in rural areas. Linares stated that the Southern Command action to crush the police uprising headed by Eduardo Herrera saved democracy. He added, howver, that every action of this kind lessens our national conscience and affects our personality as a free and sovereign nation.

Argentina

'Majority' of Argentines Oppose Pardon

PY2812130090 Madrid EFE in English 1130 GMT 28 Dec 90

[Text] Buenos Aires, 28 Dec (EFE)—A majority of Argentines are against President Carlos Menem's plans to pardon former military chiefs jailed for human rights crimes, but an even greater proportion oppose freeing an ex-leftist rebel leader, according to a poll released Friday.

The poll, carried out by the Union for the New Majority Studies Center, showed 70.6 per cent were opposed to the freeing of junta leaders sentenced for their role in the "Dirty War" against alleged leftists during the 1976-1983 military rule.

During that period, 9,000 people were murdered by security forces or disappeared.

Even more people questioned in the survey disapproved of the imminent release of a former leftist guerrilla leader, who Menem is also planning to pardon.

According to poll results, 80.5 per cent opposed the release of former Montoneros rebel leader Mario Firmenich, who is serving a 30-year prison term for kidnapping and murder.

Menem, who says the pardons are a necessary step toward national reconciliation, has insisted that he will go ahead with the plan despite protests from numerous opposition leaders, human rights groups, and some Roman Catholic bishops.

The pardon, to be formally announced later Friday or over the weekend, will apply to at least 10 people, including former President Jorge Videla and his Navy chief, Emilio Massera, of the first military junta, and former president Roberto Viola, head of the second junta.

Cavallo on 'Critical Reactions' to Pardon

PY2812170290 Buenos Aires Domestic Service in Spanish 1500 GMT 28 Dec 90

[Text] Foreign Minister Domingo Cavallo has ruled out the possibility of critical reactions by other governments to the presidential pardon [to former military chiefs jailed for human rights crimes] because they are presided over by statesmen who are aware of the complexity of this responsibility, whose goal is to heal past wounds and avoid future conflicts.

Nevertheless, Cavallo admitted that there will be critical reactions by personalities and institutions that already have expressed their opposition to the pardons.

President To Sign Pardon Decrees 29 Dec

PY2912000290 Buenos Aires TELAM in Spanish 2227 GMT 28 Dec 90

[Text] Buenos Aires, 28 Dec (TELAM)—President Carlos Menem "will tomorrow sign all the decrees" having to do with military pardons. "At that time he will make up his mind whether to include" former General Guillermo Suarez Mason.

Presidential Legal and Technical Secretary Raul Granillo Ocampo revealed this information tonight during a news conference with journalists accredited to Government House.

The government official also confirmed that President Carlos Menem will travel to Calafate in Santa Cruz Province tomorrow. Upon Menem's return, Granillo Ocampo will hand the president the pardon decrees to sign.

Pardon Decrees To Be Released 30 Dec

PY3012012490 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0057 GMT 30 Dec 90

[Text] Buenos Aires, 29 Dec (NA)—President Carlos Menem arrived at the military base at Aeroparque Jorge Newbery Metropolitan Airport at 2235 local time tonight [0035 GMT on 30 December]. Presidential Press Secretary Fernando Niembro announced at the airport that at 1120 local time tomorrow the government will hand out copies of the decrees pardoning 12 civilians and military men who had been charged with illegal activities and human rights violations.

Menem arrived at the metropolitan airport with Vice President Eduardo Duhalde and immediately got into a car, which presumably took him to the Olivos Presidential Residence.

Niembro confirmed that the president will leave for La Rioja Province at 0900 local time tomorrow and will stay there until 31 December.

The only thing that President Menem said when he arrived at the metropolitan airport, dressed in jeans, a white windbreaker, and sneakers, was "ask Fernando Niembro."

Niembro said that "copies of the pardon decrees will be handed out at 1130 tomorrow, providing information on when they were signed and who the beneficiaries are. [no closing quotation marks as received]

Camps, Suarez Mason Pardoned, Released

PY3012022890 Buenos Aires TELAM in Spanish 0155 GMT 30 Dec 90

[Text] Buenos Aires, 29 Dec (TELAM)—Former Buenos Aires Police Chief General Ramon Camps, retired, and former General Carlos Suarez Mason left the Military

Hospital shortly after 2130 local time after being pardoned by President Carlos Menem.

This information was released a few minutes ago by the duty officer at that hospital, where Camps and Suarez Mason were serving sentences for human rights violations.

Former Military Commanders, Police Chief Released

PY3012013090 Buenos Aires TELAM in Spanish 0216 GMT 30 Dec 90

[Text] Buenos Aires, 29 Dec (TELAM)—A helicopter carrying former military commanders Jorge Videla, Eduardo Massera, and Roberto Viola and former Buenos Aires Police Chief Pablo Ricchieri, who have been pardoned by the president of the nation, left the Magdalena Military Prison shortly after 2300 local time [0100 GMT on 30 December].

Prison officials confirmed that the helicopter arrived at the prison at 2250 and left 10 minutes later with the four pardoned men.

Ex-Montonero Leader Firmenich Pardoned, Released

PY3012010890 Buenos Aires TELAM Spanish 0034 GMT 30 Dec 90

[Text] Buenos Aires, 29 Dec (TELAM)—Montonero leader Mario Firmenich was released from the Villa Devoto Prison shortly after 2230 local time [0030 GMT on 30 December] and he departed in a gray Renault-11, accompanied by two bodyguards.

Firmenich left quickly through the prison gate on Ucrania Alley after being pardoned by President Carlos Menem.

Human Rights Envoy Resigns Over Pardons

PY3012220690 Madrid EFE in Spanish 1058 GMT 30 Dec 90

[Excerpt] Buenos Aires, 30 Dec (EFE)—Julio Strassera, Argentine ambassador to the UN Human Rights Commission, confirmed today that he has resigned in disagreement with President Carlos Menem's pardon of former commanders who were sentenced for crimes committed during political repression. "It is impossible for me to defend such a measure. The pardons are incompatible with the position I hold," said Strassera to Radio America of Buenos Aires.

Strassera, who was a prosecutor in the 1985 trial of the former commanders, who were found guilty of human right violations, said in Geneva, where he lives, that Menem's pardon "cannot be understood in Europe."

"My resignation is irrevocable. I am in complete disagreement with the pardons. It is regrettable," said Strassera. [passage omitted]

Decrees Cite Reasoning for Pardons

PY3012213490 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1636 GMT 30 Dec 90

[Text] Buenos Aires, 30 Dec (NA)—The pardons granted by President Carlos Menem to the former commanders of the latest de facto military government considered "the nation's supreme interests above any other interests in facing the historic commitment a major political decision like this implies."

The reason given by Menem for pardoning the former commanders and former guerrilla leader Mario Firmenich is that "a profound reflection" on the situation prevailing in the country led him to the need to carry out "one last contribution to strengthening the pacification process in which the nation's true representatives are engaged."

"Based on that conviction and from experience gained in the year following the implementation of Decrees 1002 and 1033, dated October 1989," in the first stage of the presidential pardons, "it is believed that the time has come to complement those decrees, keeping in mind the reasons for and purpose of the previous decision," states Decree 2741, which was signed by President Menem and Education and Justice Minister Antonio Salonia on 29 December 1990 and released in Government House at 1130 today.

President Menem pardoned former commanders Jorge Videla, Eduardo Massera, Roberto Eduardo Viola, Orlando Ramon Agosti, and Armando Lambruschini and two former Buenos Aires police chiefs, Generals Ramon Camps and Ovidio Riccheri. Mario Firmenich, former leader of the Montoneros subversive organization, was pardoned by Decree 2742. Former General Carlos Suarez Mason was pardoned by Decree 2746, and former Economy Minister Jose Alfredo Martinez de Hoz was pardoned by Decree 2745. Norma Kennedy was pardoned by Decree 2743, and Duilio Brunello by Decree 2744.

The most important decrees, which pardoned former commanders Camps and Riccheri and Mario Firmenich, state: "The reasons given in the decrees are fully applicable given the current social, political, and juridical conditions."

The decrees state: "As already noted, more than any consideration of the reasons for various doctrinary or ideological positions, it is necessary to adopt measures that will create appropriate conditions for achieving—with the irreplaceable contribution of the spiritual greatness of the nation's men and women—a definitive reconciliation of all Argentine people as the only possible solution to wounds that need to be healed in order to build an authentic fatherland of brotherhood."

The decrees also point out: "This measure, which is allowed by the Constitution, is only a political mechanism to create conditions for national pacification," and "does not imply in any way that this objective has been

reached or that there is a guarantee it will be reached. This is one of the many measures that the national government—sacrificing obvious, legitimate, and historic convictions—is willing to implement in order to achieve pacification of the republic."

The decrees further state that the government wants to create the appropriate conditions and climate for reconciliation, mutual forgiveness, and national unity.

"The main actors in the Argentine drama—including those in the government today—must admit their mistakes and recognize their adversary's success in order to create the necessary climate for reconciliation and unity."

The decrees state that the decision to grant pardons "seeks to consolidate democracy in Argentina—a goal that is as important as pacification and reconciliation. The people, through the ballot and the exercise of constitutional guarantees, are the only ones who are entitled to elect or replace a government. We want to begin an era where all those who pretend to know what is best for the people are forbidden from substituting the exercise of their will."

In the paragraph that includes the argument for pardoning former 1st Corps Commander Carlos Suarez Mason, the head of state notes that "this government wants to proceed with the delicate task of closing past bloody and painful wounds in Argentine life."

The president admits, however, that "the deviations, mistakes, and excesses of those who participated in these events," as well as "the mistakes committed by the leadership of that time in confronting the utopian goals of subversive terrorism, must teach all of us that replacing the effective state of law can have very damaging consequences."

When giving reasons for pardoning former Economy Minister Jose Alfredo Martinez de Hoz, the president states that the measures that are included "do not imply we are exercising judicial functions, revising judicial matters, or taking upon ourselves legal decisions in violation of Article 95 of the national Constitution."

As for the pardon of Norma Kennedy, the president states that the charges for which she was tried "are related to trials in this capital that were held during conflictive times in Argentina's political life."

Duilio Brunello was pardoned because Maria Estela Martinez de Peron, the most important person involved in the case for which he was tried, was pardoned in September 1983.

Demonstration Against Pardons Held

PY3112022090 Buenos Aires TELAM in Spanish 2345 GMT 30 Dec 90

[Text] Buenos Aires, 30 Dec (TELAM)—Human rights organizations and political groups, especially leftists, demonstrated this evening in front of Government House in Plaza de Mayo against the presidential pardons for the former commanders of the latest military government and Montoneros leader Mario Firmenich.

The demonstrators, carrying signs, began to arrive at the plaza about mid-afternoon and gathered in front of Government House. They expressed their discontent with the pardons by singing songs against the government and the pardoned military men. Most of the demonstrators wore black armbands as a sign of "mourning" for the government pardons.

After the songs and slogans ended, Graciela Fernandez Meijide, leader of the Human Rights Permanent Assembly (APDH), read a communique saying that it is "deceptive" to say that the pardons will achieve "a civilized coexistence."

Several human rights organizations said: "The disappearance of people and torture are crimes against humanity that cannot be pardoned." They added: "The people have already declared them guilty, and no decree will change that sentence."

Leaders who participated in the demonstration included Hebe Pastor de Bonafini (Mothers of Plaza de Mayo); Graciela Meijide (APDH); Adolfo Perez Esquivel (Peace and Justice Service); Marcelo Stubrin, Jesus Rodriguez, Leopoldo Moreau, and Juan Manuel Casella of the UCR [Radical Civic Union]; Carlos Alvarez, Jacinto Gaibur, and Dante Gullo of the PJ [Justicialist Party] dissident faction; Luis Zamora (Movement Toward Socialism); Mary Sanchez (CTERA) [Confederation of Education Workers of the Argentine Republic]; and representatives of the Communist Party of Argentina, Intransigent Party, Popular Democracy, and others [words indistinct].

Pardons Seen as 'Travesty of Justice'

PY3012214290 Buenos Aires BUENOS AIRES HERALD in English 30 Dec 90 p 14

[Editorial: "A Political Travesty"]

[Text] As the presidential pardons for former military rulers and a guerrilla leader responsible for the violence of the 1970's go into effect most of the country is left wondering what to make of this latest travesty of justice. Despite the barrage of criticism Menem has chosen to strive ahead and make use of his constitutional prerogative to pardon men who are personally responsible for having taken decisions which dragged this country into a horrendous morass of internecine violence. That he has chosen to do so responds entirely to yet unclear political objectives, as the pardons, although formally legal, are void from any possible content of Justice, ethics or morality, not to mention human rights. It can only be hoped that having so severely injured the very fibres of an already badly battered idea of Justice the government will at least spare us the insult of trying to present this

unprecedented act of callous political expediency as containing any sort of morally edifying significance.

The men who benefit from this piece of political benevolence were serving prison sentences for all sorts of aberrant crimes including the murder, torture, rape, kidnapping, extortion, etc of their fellow citizens. They represent the mirror-images of terrorism and counterterrorism jointly responsible for fuelling a vortex of violence which left thousands of dead, massive destruction and an unfathomable amount of grief. That one particular group took upon themselves the right to coerce society through terror instead of resorting to democratic practices makes them no better nor worse than their adversaries who chose to fight the scourge by turning their backs on the law. By their actions both extremes voluntarily abdicated any moral claims to be victors or vanquished of this violent dark age which all but tore this country apart.

These men deserve society's repulsion not only on ideological grounds of supporting one or the other's cause, but as those ultimately responsible for the bloodbath, who have now simply benefited from an unwarranted and incomprehensible bout of presidential clemency. That they are today free men is both legally-binding and an insult to the law-abiding citizens of Argentina. But their freedom is not a whitewash, it does not mean that the people of this country are willing to exculpate or exonerate them of their crimes, or even less to justify or vindicate their criminal actions. The violence of the seventies will still exist despite this pardon and no amount of political rhetoric can change this tragic fact. Menem can rest assured that the part of the pardon society will best remember is when he says that he "is willing to pay the cost" of letting these criminals free. They probably will. People may not understand what the pardons mean but most are pretty clear that it is not a morally or ethically justifiable need, but a blatant case of political opportunism of unknown causes and most probably ominous consequences.

Court Approves Military Court Jurisdiction

PY2712215690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2149 GMT 27 Dec 90

[Text] Buenos Aires, 27 Dec (NA)—The Supreme Court this afternoon approved the authority of the Armed Forces Supreme Council to judge the military men who participated in the thwarted rebellion on 3 December.

The court ruled 7-2 that the military men committed the related crimes of mutiny and rebellion. These crimes do not carry the death penalty; according to Article 18 of the Constitution, the death penalty cannot be applied in those cases.

Decision Explained

PY2812211490 Buenos Aires TELAM in Spanish 1112 GMT 28 Dec 90

[Excerpt] Buenos Aires, 28 Dec (TELAM)—The Supreme Court has ruled that the Armed Forces Supreme Council has the jurisdiction to judge the military personnel who participated in the 3 December uprising. The Supreme Court classified the uprising as a mutiny, which is a crime punishable under the military code. The court thus granted a special request filed by prosecutor Luis Moreno Ocampo at the Buenos Aires Federal Court.

By a majority vote, the Supreme Court ruled that both military law, which punishes the crime of mutiny, and civil law, which punishes the crime of rebellion or disruption of the constitutional order, apply to the case. The court is made up of Justices Ricardo Lavene Jr., Mariano Cavagna Martinez, Carlos Fayt, Rodolfo Barra, Julio Nazareno, Julio Oyhanarte, and Eduardo Moline O'Connor. [number of justices as received]

Mutiny is an essentially military crime that is classified and punishable only by the military code. If a mutiny causes injuries or deaths, punishment for the sponsors, leaders, and highest-ranking officers involved could be the death penalty or life imprisonment .

The court noted that Article 226 of the Penal Code punishes the crime of disruption of the constitutional order with five- to 15-year prison terms. This crime is judged by the federal (civil) courts.

The majority of court justices ruled that the uprising involved several related crimes committed through a single action. This means that more than one penal law applies to the action and that the enforcement of one law will not exclude the enforcement of another.

The court ruled that the objective of the uprising, which was to disrupt the constitutional order, cannot take precedence over the very serious military crimes, the punishments for which are even stronger than in the case of a rebellion.

Based on these grounds, and considering that different courts cannot judge the same action more than once, the Supreme Court ruled that the military courts have jurisdiction to judge the action because a mutiny is specifically a military crime. The court stated that the recent uprisings had the same origin and objectives of this mutiny and that some of the leaders of the mutiny are also responsible for the latest uprisings. [passage omitted]

Economy Minister Releases Measures on Oil, Taxes

PY2812223690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1650 GMT 28 Dec 90

[Text] Buenos Aires, 28 Dec (NA)—Economy Minister Erman Gonzalez today announced decisions to free up

oil prices in January, establish a single tariff for imports, strictly control tax evasion, and implement a tax "pardon" for capital invested in the country and abroad.

Gonzalez, who defined the measures as "an improvement of the economic program," said the freeing of oil prices will reduce the price of diesel fuel by six percent, while gasoline prices will stay the same.

Gonzalez said the single tariff for imports will be 22 percent but that there will be exemptions for pharmaceutical and agrochemical products, capital goods produced outside the country, and newsprint. He explained that these products and goods will have no tariffs. Gonzalez noted further that special tariffs will be reduced in most cases by 50 percent, even being reduced to zero in some cases.

Gonzalez said the tax "pardon" will be applied to capital invested in Argentina and abroad and pointed out that these investors will not be required to pay overdue taxes.

Regarding the freeing of oil prices, Gonzalez announced the transformation of YPF [Government Oil Deposits] into a corporation with the participation of the state, workers, and Argentine and foreign capital. He explained, however, that the percentage of shares for each sector "has not yet been determined."

"Oil taxes were changed to benefit diesel fuel," said Gonzalez in a news conference at Government House.

He also noted that 20 of the 24 YPF oil exploration contracts with private companies were renewed. The concessions are now for 25 years. The minister explained that the companies will be free to sell the oil they extract. He also indicated that YPF will continue to carry out oil exploration, exploitation, refinement, and sales operations.

He specified that "there will be areas in the country where fuel will be cheaper" and that "there will be a zone system to implement this mechanism."

Regarding tax evasion, Gonzalez announced that inspections will be increased and that agreements will be signed with the Federal Police and Gendarmery to accompany inspectors from the General Directorate of Taxation (DGI) in control operations. If irregularities are discovered in accounts, immediate three-day closures will be enforced.

Gonzalez announced specific control operations in the production and sale of cereals and meats, where tax evasion may amount to about 60 percent.

He indicated that measures will be implemented to make the import control system in custom houses more efficient, with the goal of ending the "covert smuggling that creates unfair competition with local industry."

He said that the new tax structure for fuels, within the framework of free oil prices, is aimed at maintaining an income tax in that area of approximately $4 billion a year.

Gonzalez also announced the privatization of the State Gas Company. The first stage of the process will involve the privatization of the secondary distribution of gas pipelines. Trunk lines will be privatized in late 1991.

As for taxes on capital used for production, Gonzalez said all overdue taxes will be abolished, but he pointed out that taxes will have to be paid on this capital when it becomes part of the formal economy. Gonzalez emphasized that this measure "is not a special tax exemption or privilege."

Regarding the opening of the economy, Gonzalez admitted that the implementation of a single 22-percent tariff on imports means that the reduction will only be two percent in cases where tariffs are high. He explained that "any country with an open economy maintains tariffs and special duties" and that the idea was "not to cause a negative impact on local industry."

Contacts Between Menem, Rebels Reported

PY3012214890 Buenos Aires BUENOS AIRES HERALD in English 30 Dec 90 p 4

[Excerpt] (NA)—Contacts between President Carlos Menem and carapintada [Painted Face] leaders began on January 26, 1989, alleges the new edition of Somos magazine. A meeting between Menem and retired Major Pedro Mercado, who is currently defending carapintada leader retired Colonel Mohamed Ali Seineldin, was organized by businessman Mario Rotundo, one of the President's friends, the magazine claims.

Somos quotes Mercado as having proof of involvement of Radical Party members in the attack on La Tablada barracks and claims that Menem's wife, Zulema Yoma de Menem, warned Mercado that her husband would betray Seineldin. [passage omitted]

Police Burn 111 Kilos of Seized Cocaine

PY3012221090 Buenos Aires BUENOS AIRES HERALD in English 29 Dec 90 p 11

[Text] (NA)—Some 111 kilos of cocaine captured in operation "White Christmas" by federal police last week were incinerated under strict security measures yesterday at the Chacarita cemetery.

The destruction of the maximum purity cocaine was carried out under the orders of Federal Judge Martin Irurzun. The cocaine was taken to the cemetery in an armoured van accompanied by four armoured cars, motorcycle outriders and police special forces.

The drug had an estimated street value of 5 million dollars and is the second largest haul of cocaine since 1988 when 553 kilos of cocaine were captured in operation "Langostino" [Prawn].

Irurzun confirmed that two foreigners were arrested in connection with operation "White Christmas."

Police forensic scientists tested each "loaf" of cocaine to verify the cocaine content after which they were burnt in the Chacarita cemetery's crematorium at a temperature of over 1,000 degrees centigrade. Irurzun stated that the drugs were destined for sale in the summer resorts along the South Atlantic coast.

Communist Party Paper Closed Due to Problems

PY3012215290 Buenos Aires BUENOS AIRES HERALD in English 29 Dec 90 p 11

[Text] (NA-DYN)—Employees of the newspaper NUEVO SUR gathered outside Communist Party headquarters last night in protest over the closure of the morning daily and demanded a settlement to wage irregularities.

Communist party authorities, who financed the newspaper, will meet UTPBA [Trade Union of Buenos Aires Press Workers] journalists union delegates at 3pm today in the presence of the GENTESUR [expansion unknown] company which publishes the newspaper.

Internal union representatives confirmed that December salaries and year-end bonuses had been paid yesterday but "without taking into account the cost of living index." Angered NUEVO SUR employees say they will take their case to the Labour Ministry.

Nuevo Sur started publishing in 1989 but yesterday's edition was the last due to "grave economic difficulties" according to Communist Party sources.

Cavallo Further Minimizes Major's Remarks

PY2812122490 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1048 GMT 28 Dec 90

[Text] Buenos Aires, 28 Dec (NA)—Foreign Minister Domingo Cavallo today minimized the remarks made by British Prime Minister John Major, who compared the Iraqi invasion of Kuwait with the Argentine recovery of the Malvinas Islands in 1982. Cavallo said, however, that the archipelago sovereignty issue is still pending with the United Kingdom.

"It is a remark by the British prime minister to the inhabitants of the Malvinas Islands that refers to a historical event," the foreign minister said.

In remarks to Radio Mitre, Cavallo said: "At no time does the British prime minister speak disparagingly or critically about Argentina, its government, or its people at this moment."

Nevertheless, Cavallo said: "A comparison of this nature is painful" for us Argentines, "even though it refers to a past event and to a decision made by an illegitimate military government."

Cavallo emphasized: "I would say that the majority of Argentines believe that no democratic government would have made a decision like the one made by that military government in April 1982."

Cavallo said that the British prime minister addressed the inhabitants of the islands who "feel concerned because they understand that the improved relationship between the United Kingdom and Argentina weakens the support that the United Kingdom had been granting them in the areas of defense and economy."

The foreign minister said: "It is clear for us that, concerning the sovereignty issue, the United Kingdom continues to claim its rights while we continue to firmly reaffirm our rights, which we consider really valid."

Cavallo said that the Foreign Ministry communique regarding the remarks made by Major reiterated "our claims so that there will be no doubts among the international community that we do not accept British sovereignty over the islands."

Cavallo insisted on not attaching "greater importance" to Major's remarks.

Cavallo also said that on 15 February 1991 "the parents and children of those killed in the Malvinas will be able to travel from Rio Gallegos to the islands by airplane and from there to the cemetery by helicopter" to pay their respects to their loved ones."

The foreign minister said: "This responds to a humanitarian claim and it can now take place because of this new atmosphere established between the United Kingdom and Argentina."

Meanwhile, the Foreign Ministry issued a brief communique last night, stating: "In keeping with press reports about the annual address by the British prime minister to the Malvinas islanders, the contents of which are not in harmony with the current atmosphere of Argentine-British relations, the national government firmly reiterates its sovereign rights over the Malvinas and the seas that surround them."

Menem Downplays Major's Remarks

PY2812162490 Buenos Aires TELAM in Spanish 1541 GMT 28 Dec 90

[Text] Formosa, 28 Dec (TELAM)—President Carlos Menem stated today that the negotiations with Great Britain "will not be disrupted" by British Prime Minister John Major's remarks comparing the Iraqi invasion of Kuwait with the 1982 Argentine invasion of the Malvinas Islands. Menem also announced that "the pardon decrees will be released in the next few hours."

Menem said that the decrees pardoning the former commanders in chief of the military regime and former Montonero leader Mario Firmenich will be made public in the next few hours.

Menem made these brief remarks at the local airport after signing here this morning a joint declaration and trade and energy agreements between Argentina and Paraguay with his Paraguayan counterpart, Andres Rodriguez.

Menem, Rodriguez Sign Declaration, Protocols

PY2812172090 Formosa Radio Nacional Formosa in Spanish 1313 GMT 28 Dec 90

["Text" of declaration signed by Argentine President Carlos Saul Menem and Paraguayan President Andres Rodriguez during their meeting at Formosa Government House on 28 December 1990]

[Text] Dr. Carlos Saul Menem, the president of the Argentine Republic, and Army General Andres Rodriguez, the president of the Republic of Paraguay, met in the city of Formosa, the capital of Formosa Province, Argentine Republic, on 28 December 1990 during a ceremony in which the representatives of the two governments signed a bilateral protocol on energy integration and a protocol on increased reciprocal trade.

During their meeting, the two presidents expressed their satisfaction over the excellent level of dialogue and understanding existing between the two governments that allows the two nations to become closer.

After a brief analysis of the progress achieved this year in the field of subregional integration, the two presidents expressed their approval over the participation of the Republic of Paraguay in the formation of a Southern Cone common market.

In addition, they considered that the formation of such a common market represents a fundamental basis for subregional integration and they expressed their governments' hope that the negotiations being conducted among representatives of Argentina, Brazil, Paraguay, and Uruguay for the establishment of a quadripartite common market project will be concluded as soon as possible.

With respect to bilateral relations, the heads of state expressed their satisfaction over the progress achieved this year. They emphasized the achievements made since their previous meeting, among them the holding of the third meeting of the Argentine-Paraguayan Political Coordination and Integration Commission [Comision de Coordinacion Politica e Integracion Argentino-Paraguaya] in Asuncion, Paraguay, on 30 July 1990. During this meeting, the commission installed the Permanent Argentine-Paraguayan Working Group on Subregional and Border Integration [Grupo de Trabajo Permanente Argentino-Paraguayo sobre Integracion Subregional y Fronteriza], thus implementing the protocol on subregional and border integration signed by the two foreign ministers in November 1989.

The two presidents also expressed their approval over the signing, on 30 July 1990, of a veterinary agreement on the exchange of breeding stock and an additional protocol to the economic cooperation agreement on the creation of border control areas at the San Roque Gonzalez de Santa Cruz bridge.

The two presidents expressed their great satisfaction over the energy protocol signed today by the representatives of the Argentine Republic and the Republic of Paraguay.

This protocol will allow an increase in the supply of Argentine hydrocarbons to the Republic of Paraguay through contracts that the pertinent entities of the two countries will close to this effect. These contracts will also allow the Argentine Republic to increase its purchases of electrical energy as soon as the interconnections scheduled by the technical organizations of the two nations are completed.

The two presidents emphasized the importance of the protocol on increased trade signed today by the representatives of the two governments that adds a dynamic factor by including new products with significant percentage preferences.

The two presidents also agreed on the need for the appropriate authorities of the two countries to inaugurate as soon as possible the international river barge service between Colonia Cano and Pilar, considering the crucial importance that this service has for the physical integration of Argentina and Paraguay.

In conclusion, the two presidents expressed their desire to promote the signing of an agreement to prevent double taxation in the field of commercial air transport.

Agreeing on the necessity to continue to strengthen the bilateral relations, Presidents Menem and Rodriguez confirmed their decision to hold their next meeting in the city of Asuncion, Paraguay, in 1991.

Signed: Carlos Saul Menem, Andres Rodriguez.

Warning Issued on Travel in Gulf Area

PY2812213890 Buenos Aires TELAM in Spanish 2110 GMT 28 Dec 90

[Text] Buenos Aires, 28 Dec (TELAM)—The Argentine Foreign Ministry today recommended that citizens planning to travel to the Persian Gulf "evaluate the convenience of this trip" and, should they decide to carry out their plans, "to keep in contact with Argentine embassies" in that area.

The recommendations are aimed at people planning to travel to countries in the Middle East and Asia near the Persian Gulf. The recommendation stems from a UN Security Council resolution through which the Argentine Government must "issue a formal warning about the concrete possibility that war activity will take place as of 15 January 1991" in the region.

Bolivia

President Paz Installs New Navy Commander

PY2912201090 La Paz La Red Panamericana in Spanish 0000 GMT 29 Dec 90

[Summary] In a ceremony held in the main hall of Government Palace today, President Jaime Paz Zamora installed Vice Admiral Rolando Herrera Alba as the new commander of the Bolivian Navy, replacing Admiral Anibal Gutierrez.

* Jan-Sep Trade Surplus Figures Reported

91SM0113A La Paz PRESENCIA in Spanish 14 Nov 90 p 6

[Text] The country posted a trade surplus of $164.5 million between January and September of this year, as imports totaled $529.8 million and exports hit $704.3 million.

According to the latest report of the Program of Andean Cooperation With Bolivia (PCAB), Bolivia also had a $38 million trade surplus with the countries of the Andean Group. The country exported $56 million worth of goods to the region and imported $18 million.

Basing itself on reports from the National Institute of Statistics, the PCAB says that the country's total surplus during the period this year exceeded the $150 million surplus during the same period in 1989.

If this trend continues, not only will 1990 be the second straight year of surplus since the new economic model was implemented in 1985, but the surplus could top the $200 million in black ink last year.

The largest surplus was recorded in the third quarter, $94.9 million. Between July and September exports hit $266.6 million while imports stood at $171.7 million.

As for trade between Bolivia and the Andean countries, the PCAB report indicates that our biggest surplus is with Peru, which bought $51 million worth of goods from our country, while we purchased $14 million in Peruvian products.

Brazil

Envoy To Remain in Suriname; Normalcy Asked

PY2912124690 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 29 Dec 90

[Report by Gustavo Mariani from Brasilia]

[Text] Itamaraty has reported that the Brazilian Government does not plan to summon Brazilian Ambassador to Suriname Sergio da Veiga Watson to Brasilia or to make any change in the Brazilian Embassy in Suriname as a result of the coup d'etat that overthrew President Shankar. Itamaraty did not state however whether Brazil is willing to recognize the new Surinamese Government if elections are held in 100 days, as announced by the coup leaders.

Foreign Ministry spokesman Jose Vicente Pimentel made the following remarks on the subject:

[Begin recording] It is our doctrine to maintain relations with governments that are capable of exercising control over their territory and that publicly state their commitment to honoring their countries' commitments. It is not our policy to give prescriptions to other governments. Naturally, we have our democratic convictions and we do not hesitate in expressing our desire for the situation in that country to return to normal as soon as possible. [end recording]

Pimentel said Itamaraty has not received any request to evacuate Brazilian citizens from Suriname because it has received reports that the situation is calm in that neighboring country.

Police Seize 30 'Sophisticated' Weapons

PY2912170090 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 29 Dec 90

[Text] The Federal Police have seized a shipment of 30 sophisticated weapons and a large amount of ammunition at the Cumbica International Airport in Sao Paulo. It has been reported that the estimated value of the weapons is $40,000, nearly 7 million cruzeiros, and that they were left at the airport by (Mair Prado), a former president of the Sao Paulo Flying Club, on 22 December under the pretext of going to look for the keys to the three bags containing the weapons.

The shipment consists of 25 Israeli Uzi submachine guns, two .45-caliber Colt pistols, one .44-caliber Magnum pistol, one Austrian pistol, one high-powered (?Steyr AUG rifle), and one laser night-vision sight.

Government Allocates $6 Billion for Education

PY2912213090 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 29 Dec 90

[Summary] The government will invest $6 billion in education programs in 1991. This amount accounts for 4.1 percent of the GDP [gross domestic product] and represents a 20-percent increase over the amount allocated for education this year. The program includes plans to establish technical ecological schools at the secondary level in the Pantanal and Amazon regions and in Porto Seguro in Bahia State.

Dec Inflation Rate Hits 19.39 Percent

PY2912005490 Rio de Janeiro Rede Globo Television in Portuguese 2100 GMT 28 Dec 90

[Summary] The Brazilian Geographic and Statistics Institute has reported that the December inflation rate was 19.39 percent.

Bank Authorizes Private Foreign Debt Payments

PY3012225890 Sao Paulo FOLHA DE SAO PAULO in Portuguese 27 Dec 90 p B 11

[Text] In Central Bank Resolution 1781, the Brazilian Government yesterday formalized its decision to resume payments on the foreign debt with private creditors. The resolution authorizes private sector debtors to directly remit abroad foreign debt installments—either interest or principal—that come due after 1 January 1991. Public sector payments will be limited to 30 percent of the interest due in the first quarter of next year.

Payments on the debt contracted up to March 1983, which had been renegotiated with the private international banks, were suspended in September 1989. The resumption of payments on the debt that will come due beginning next year is not part of an agreement with creditors, but a unilateral decision by Brazil in view of the Treasury's fiscal surpluses, which translate into an "ability to pay."

"The debt renegotiation is proceeding normally," said Antonio Sochaczewski, director of exchange and international affairs for the Central Bank. According to him, remittances in the first quarter of 1991 from the public sector alone will amount to $489 million. He did not specify how much the private sector remittances will be but guaranteed that, whatever they amount to, the end of the moratorium will not cause a reduction in the country's foreign exchange reserves, which currently stand at more than $8 billion. The country's foreign reserves will not be affected because the private debtors will buy the dollars they need on the exchange market, not from the Central Bank.

There are exceptions to the conditions established for the public and private sectors by Resolution 1781. Even when the final user of the foreign loan is a public enterprise (such as Petrobras [Brazilian Petroleum Corporation], for instance), if the loan was guaranteed by a financial institution, not by a government organ, the conditions established for the private sector apply. The same exception applies if the intermediary and guarantor is a state-run bank, such as the Bank of Brazil and BNDES [National Economic and Social Development Bank]. The exception is valid when the operation was conducted through the financial sector.

In the case of private sector foreign debt, there are two exceptions [to making direct remittances]: One, loans obtained with guarantees from the federal government, state governments, or municipal governments, and, two, installment payments that are deposited in cruzeiros at the Central Bank. In these two cases, even when private debtors are involved, the conditions established for the public sector are in force; that is, only 30 percent of the interest coming due in the first quarter of 1991 can be paid.

According to the Central Bank, the total private debt with private foreign creditors is about $6 billion; the public sector's total debt with private foreign creditors amounts to approximately $60 billion.

Petrobras To Reduce Oil Imports From Iran

PY3012021090 Sao Paulo FOLHA DE SAO PAULO in Portuguese 28 Dec 90 p B 3

[Text] Starting 1 January 1991, Petrobras [Brazilian Petroleum Corporation] will reduce its purchases of Iranian oil by 80,000 barrels per day, from 200,000 to 120,000 barrels. Negotiations were conducted this week with an Iranian delegation that came to Brazil. Petrobras President Eduardo Teixeira, 36, said that during the first half of 1991 the company will purchase an average of 600,000 barrels of oil per day, as opposed to the 650,000 barrels per day that it had been buying during the last quarter of 1990.

According to Teixeira, this reduction is prompted by the historically proven decline of consumption at the beginning of the year and the decline of economic activity in Brazil. The president of the state corporation said that he does not see anything wrong with cutting oil imports at the very time when there is a threat of war in the Middle East, from where Brazil gets most of its oil. According to Teixeira, Petrobras has enough oil and by-products stockpiled for 45 days of consumption, but the company's overall storage capacity does not exceed 50 days.

Petrobras To Record $600 Million Profit

PY3012232090 Rio de Janeiro O GLOBO in Portuguese 29 Dec 90 p 21

[Text] Although Petrobras [Brazilian Petroleum Corporation] lost $184 million in November—the worst month of the year for the company, it will record an overall profit of $600 million in 1990. Petrobras Financial Director Carlos Thadeu Freitas explained that the November losses were caused by the adjustment of the exchange rate, which went up 35.31 percent in November while the National Treasury Bonds (BNT) went up only 16.23 percent. The state company's obligations such as payments of loans are adjusted according to the dollar exchange rate while its value of assets is based on the BNT's. This mechanism is responsible for the losses.

Although it lost money in November, Petrobras made a net profit of $487 million in the first 11 months of this year. This piece of good news was released yesterday by Petrobras Prospecting and Production Director Joao Carlos Franca de Luca. He announced that yet another oil deposit of good quality light oil has been discovered in the central part of Campos Basin, 120 km off the coast. This new oil deposit was discovered while the company was drilling oil well 4-RJS-440. Although the estimated reserves of this new oil deposit amount to only 9 million barrels, it has pushed the reserves in the deposits discovered in Campos Basin so far this year up to 400 million barrels.

Although Petrobras invested $672 million in prospecting this year, the results have been positive since the company discovered reserves amounting to 720 million barrels. Net sales for Petrobras through November of this year amounted to $11.9 billion. Petrobras subsidiary companies lost $71 million and the Petrobras holding company lost $214 million in November.

Petrobras Finds New Oil Well in Campos Basin

PY3112001090 Brasilia Domestic Service in Portuguese 2100 GMT 28 Dec 90

[Text] Petrobras [Brazilian Petroleum Corporation] announced in Rio de Janeiro today the discovery of a new oil well in the Campos Basin. The well, which was christened Rio de Janeiro Submarine 440, and another four that were discovered earlier this year will make up the central pole, the fourth pole in the Campos Basin off the north coast of Rio de Janeiro State.

The combined production capacity of the five wells surpasses 400 million barrels. The other four wells, which were discovered earlier this year, are known as Rio de Janeiro 412, Rio de Janeiro 373, Rio de Janeiro 426, and Rio de Janeiro 380. The latter well is located a short distance from the other three wells, which are 120 km from the shoreline at a depth of 498 meters.

This information was furnished by the director of the Petrobras Exploration and Production Division, Joao Carlos Franca de Luca, at a news conference at the company's main office in downtown Rio de Janeiro.

These discoveries enhance the importance of the Campos Basin for the production of oil in Brazil. At present, the basin can cover 60 percent of the country's oil production, which is estimated at an average of 653,000 barrels per day.

* Finamex Subsidy Funds Short of Demand

91SM0127D Sao Paulo O ESTADO DE SAO PAULO (Economic Section) in Portuguese 4 Dec 90 p 4

[First paragraph is O ESTADO DE SAO PAULO introduction]

[Text] There is a balance of $100 million remaining for this year, but applications have already been received for half that amount.

Rio de Janeiro—In less than a week of operation, the Machinery and Equipment Export Financing (Finamex) program, which is operated by the National Bank for Economic and Social Development (BNDES), has already received applications for credit equivalent to $50 million (7.25 billion cruzeiros), with Bardella Industries alone taking $30 million (4.35 billion cruzeiros) for a transaction involving the sale of two Schuller presses to the U.S. automotive industry.

According to the BNDES, Bardella won the competition to sell the two presses by besting two Japanese suppliers that were also in the running.

The bank still has $100 million available for Finamex applications before the end of this year, but since there have been inquiries from firms interested in another $50 million, it is believed that the available volume of funds will soon be exhausted.

According to the director-superintendent of Finamex, Jose Mauro Carneiro da Cunha, the BNDES intends to set aside $1 billion for machinery export credits in 1991.

Unlike the credit system that is going to be operated by the Bank of Brazil at subsidized interest rates, Finamex charges the full Libor [London Interbank Offered Rate] plus a small spread and the relending agent's commission. In addition, the two lines of credit that will be offered by the Bank of Brazil will finance the postshipment phase of exports, while the BNDES grants credit in the preshipment phase to help firms manufacture the machinery in question.

* Summer Crop Planting Down 7 Percent

91SM0127B Rio de Janeiro O GLOBO in Portuguese 25 Nov 90 p 65

[Text] Foz do Iguacu, Parana—The area planted in summer crops nationwide will decline by 7 percent in comparison with the previous season, and the Organization of Brazilian Cooperatives (OCB) estimates that production will total between 55 million and 60 million metric tons. That would be almost a repetition of this year's harvest, which was not a good one, and would mark a significant reduction in comparison with 1989, when the grain harvest totaled 72 million metric tons.

Producers place the blame on the delay in releasing federal funds to pay for planting, and in Parana there has even been an organized protest against Minister of Economy Zelia Cardoso de Mello. During the meeting by the ministers of agriculture from Brazil, Argentina, Paraguay, Uruguay, and Chile, which ended in Foz do Iguacu on Friday, Minister Antonio Cabrera said the government had no expectation of a crop failure and claimed that the money to finance planting was being released as it became available. The minister said that many problems in the nation's agriculture and stock-raising sector were inherited from the previous administration and that they should not be repeated next year.

In Cabrera's opinion, Brazilian agriculture must move to become more modern by seeking greater efficiency and increasing its productivity. But he admitted that taxes in the sector were heavy and said he was prepared to make every effort to persuade the state governments to eliminate the ICMS [Goods and Services Circulation Tax] tax on basic commodities. According to the minister, the government is drawing up a bill that will reduce the tax on products in the basic basket of commodities.

Antonio Cabrera warned of the danger of transferring income from the rural to the urban areas, using this example: "In some municipalities, the economy depends almost 100 percent on agriculture, but the return earned by the farmers is insignificant."

The minister advocates a system of agriculture free of state paternalism, but he knows that the sector also cannot lose its privileges and continue to bear the burden of heavy taxes. As regards subsidies, he pointed out that since the elimination of the wheat subsidy, there are no longer any subsidies to national agriculture.

* EMFA To Present Wage Adjustment Proposal

91SM0127A Sao Paulo GAZETA MERCANTIL in Portuguese 30 Nov 90 p 6

[Article by Veronica Couto]

[Text] Rio de Janeiro—The chief of the Armed Forces General Staff (EMFA), General Jonas Correa, intends to submit a proposal for increasing military pay to President Fernando Collor de Mello in December. According to the EMFA, the lag for the period from January through June of this year [1990] totals 24 percent, but Gen Correa is not revealing the percentage of increase that will be recommended. But the chairman of the Military Club, General Nilton de Albuquerque Cerqueira, was authorized at a meeting by that organization to obtain a collective writ of security ensuring that officers' pay would match the salaries received by judges on the Superior Military Court (STM).

"The Military Club is an independent and autonomous organization not subordinate to the EMFA," Cerqueira said when asked about the EMFA's reactions to the decision reached at that meeting. According to a dossier sent to the administration's three military ministers, the EMFA, and the head of the Military Household of the Presidency by a working group at the club, it is estimated that members of the military suffered a 70-percent drop in purchasing power between 1 January and 1 November.

The petition to ensure that top pay for officers is equal to the salaries paid to judges on the STM is based chiefly on Law No. 2,380 of 1987, which guaranteed equal treatment. That provision was suspended in an amendment passed in 1989 and not vetoed by then President Jose Sarney. The basic argument in the collective writ of security will have to do with the irrevocability of acquired rights, according to Colonel Eri Goncalves.

While a judge on the STM reportedly receives 773,000 cruzeiros, the widow of an Army general reportedly receives a pension of 101,000 cruzeiros. The highest pay for a general on active duty is said to be in the neighborhood of 366,000 cruzeiros. The meeting by the club—its first in 27 years—was attended by about 1,000 individuals distributed between two floors (one of them equipped with a large screen) and was marked by criticism of the pay received by officials in the executive branch and the deteriorating incomes of the military.

The final proposal, approved by acclamation, was a compromise between two differing proposals. The club's working committee advocated an approach through the courts—more specifically, it called for "the delegation to General Cerqueira of authority to defend the members' interests judicially and extrajudicially." Another member, Carlos Alberto Lopes, felt that a "confrontation with Congress" would be disadvantageous and preferred to amend the pay structure by drawing up a new draft law.

The final resolution considered both approaches pertinent, and they will be implemented "simultaneously or successively," said Cerqueira. The revamping of military pay is to result in a higher overall total, with bonuses playing a less important role and actual pay being increased. This will automatically improve the situation of pensioners.

Chile

Foreign Ministry Ratifies Resolutions on Iraq

PY2912123290 Santiago Domestic Service in Spanish 1000 GMT 29 Dec 90

[Text] In a Foreign Ministry Supreme Decree published by the official gazette today, Chile adheres to the UN Security Council resolutions imposing sanctions on Iraq. These resolutions ask all UN member countries to strictly comply with condemnation measures against Iraq for illegitimately occupying Kuwait.

The Chilean Government subscribed to the first resolution, condemning Iraq, and now it has ratified the additional measures taken by the international organization.

The last UN Security Council resolution places more restrictions on Iraq due to its aggressive, illegal actions violating people's rights.

Rojas on Resumption of Military Ties With U.S.

PY2912190090 Santiago Radio Cooperativa Network in Spanish 2200 GMT 28 Dec 90

[Text] Defense Minister Patricio Rojas is confident that the long-standing and productive ties of cooperation between the Chilean and U.S. Armed Forces will be resumed after the lifting of the Kennedy Amendment. Minister Rojas made this statement today after a working meeting held with the Armed Forces chiefs of staff to discuss the needs of Chilean military institutions.

Minister Rojas explained first that the Kennedy Amendment already has been lifted.

[Begin Rojas recording] We believe that we will be able to resume the long-standing and positive relationship between the Chilean and U.S. Armed Forces, as we had

in the past. I also want to point out that we are not going to return to the times of military aid, as it was labeled, but rather to cooperation and mutual interest. In other words, we are going to say what areas we are interested in, but we also wish to exchange developments achieved over these past years by Chile's small military industry, which has made significant progress and generated innovations. [end recording]

Minister Rojas also pointed out that in the field of cooperation there is once again the possibility of Chilean officers training at U.S. Defense Department universities, which provide a high-level academic, civilian, and military education.

Regarding logistic support, Minister Rojas stated that the Chilean Armed Forces have a different point of view in this field. He mentioned the case of the Chilean Air Force [FACh], which is an institution that has many needs and is more dependent because it uses U.S. aircraft. He added that the FACh will have a greater chance of obtaining spare parts now that the Kennedy Amendment has been lifted.

Foxley Notes New Phase in Relations With IMF

PY2412184090 Madrid EFE in Spanish 1957 GMT 21 Dec 90

[Text] Santiago, 21 Dec (EFE)—According to official sources, the relationship between Chile and the IMF will no longer be tied to the fulfillment of objectives that this organization sets for its "stand-by" [preceding word in English] loans. Over the last five years, the fulfillment of these objectives was checked every six months.

During a news conference, Finance Minister Alejandro Foxley announced that from now on the relations between Chile and the IMF will be those of a member not subject to rules of adjustment, of a country that does not need funds that make it unnecessary for it to submit to the strict control applied to economies in trouble.

According to Foxley, this change is the result of the good performance of the Chilean economy: balanced foreign accounts, high reserves, and good growth prospects.

The minister added that from now on an IMF mission will come to Chile once a year, not to verify the fulfillment of any goals but rather "to exchange viewpoints" in keeping with Article 4 of the IMF charter.

A group of IMF experts led by the Briton Martin Hardy, spent two weeks in Chile analyzing the situation of the country. The group returned to Washington on 20 December "bearing an impression that was both positive and similar to our own," Minister Foxley said.

He explained that the IMF experts have indicated that, in their opinion, even though the Chilean economy will grow less this year, the successfully implemented economic policy has laid the foundations for sustained growth with low inflation and a positive balance of payments beginning in 1991.

Before returning to Washington, Martin Hardy said that the performance of the Chilean Government "has been very proper" this year, and he agreed that very solid foundations have been laid for the future.

Hardy added that after a firmly implemented adjustment to prevent the economy from overheating, Chile has the chance to enter a process of growth with low inflation.

"We are ending almost five years of programs that Chile has implemented successfully, and a new phase of relations is now beginning," the British economist said.

Government To Pardon 63 Political Prisoners

PY2912025490 Madrid EFE in English 0228 GMT 29 Dec 90

[Text] Santiago, Dec 28 (EFE)—The Chilean Government said on Friday [28 December] it would pardon 500 prisoners, including 63 who were jailed for non-violent political crimes during the former dictatorship of Gen. Augusto Pinochet.

Justice Minister Francisco Cumplido said 12 of those to be granted amnesty could be released shortly while the rest might be freed before March.

Families of the 261 prisoners still in jail for political crimes committed during Pinochet's 16-year dictatorship have been pressing the government of President Patricio Aylwin for their release.

Democratically elected Aylwin pardoned 46 prisoners jailed for non-violent crimes shortly after taking over from Pinochet on March 11.

Retired Officer Indicted in La Cutufa Case

PY2812021890 Santiago Radio Cooperativa Network in Spanish 2200 GMT 27 Dec 90

[Excerpt] Special Judge Marcos Libedinsky, who is hearing the case of the illegal La Cutufa financial enterprise, this afternoon charged Army Major Alejandro Garat Galves, retired, with five new counts related to issuing bad checks. Garat has now been charged with 10 crimes in two days. On 26 December, Judge Libedinsky charged him with four counts of fraud and one count of complicity in illegal banking activities. [passage omitted]

Retired Generals Arrested; Toro Views Dismissals

PY2812205090 Santiago Radio Chilena Network in Spanish 1600 GMT 28 Dec 90

[Excerpts] Three retired Army generals were arrested at their homes early today to be questioned on the La Cutufa affair: Gustavo Abarzua, former CNI [National Information Center] director; Patricio Gualda, former intendant of Santiago University and the Seventh Region; and Patricio Varela.

The three retired generals were questioned at the 12th Criminal Court in Santiago on the operations of the illegal La Cutufa financial institution. The generals were arrested at their homes by the civil police Economic Crimes Brigade. [passage omitted]

Investigative Police Director General Horacio Toro confirmed that personnel from his institution arrested the three retired generals early today on charges of being involved with the La Cutufa affair, in compliance with an order from Special Judge Marcos Libedinsky.

Gen. Toro held a news conference to outline the work done by his institution during his term in office. [passage omitted]

He said 279 police officers had been dismissed from the institution during his term, most of them for alleged involvement with cocaine trafficking. This figure is broken down into 168 policemen who were expelled and 111 who left on their own. Most of them, he said, had links with drug trafficking. [passage omitted]

General Linked to La Cutufa Held 'Incommunicado'

PY2912004290 Santiago Radio Cooperativa Network in Spanish 2200 GMT 28 Dec 90

[Excerpts] Special Judge Marcos Libedinsky, who is hearing the case of the illegal La Cutufa financial enterprise, confirmed a few minutes ago that he has decided to hold General Gustavo Abarzua Rivadeneira, a member of the Army Telecommunications School, under arrest and incommunicado at the school. [passage omitted]

According to attorney (Marcelo Seguel), who is defending Abarzua, Libedinsky will decide on his client's legal status on 31 December.

Silva Cimma on Return of Senator, Others

PY2812022090 Santiago Domestic Service in Spanish 2200 GMT 27 Dec 90

[Text] Foreign Minister Enrique Silva Cimma has said that former Socialist Senator Carlos Altamirano can return to the country and that he will probably do so in March. Silva Cimma said he will have to stand trial if there is a pending legal case against him, unless he is absolved by the 1978 amnesty law.

Silva Cimma said any Chilean who wants to return to the country will be granted a passport. The Constitution empowers all Chileans to exercise the right to live in their country.

PCCh Central Committee's Marin Interviewed

PY2812115090 Santiago COSAS in Spanish 20 Dec 90 pp 28-30

[Interview with Gladys Marin, member of the Central Committee of the Communist Party of Chile, by Elinor Comandari Kaiser; place and date not given —passages in boldface are COSAS editorial comment]

[Text] [Comandari] Why is communism facing a crisis?

[Marin] The fact that the PCCh [Communist Party of Chile] endured 16 years of dictatorship eventually had to cause a crisis.

[Comandari] The crisis being experienced by communism is a worldwide phenomenon....

[Marin] Yes, but the dictatorship caused the crisis, which prompted rifts and changes. These things are normal within a society. We should not look at the crisis just as a tremendous and negative fact. We had to endure murders, exile, and repression; we had to go underground and then we had to deal with the transition to democracy. That changed everything! This situation upset us, the PCCh leaders, and we should move with the times. The rest is taking place worldwide! I want to emphasize that this crisis not only affects socialism, it affects the entire world, including capitalism.

[Comandari] Do you not fear that the increasing disagreement and public criticism by former PCCh members, who are leveling charges of authoritarianism, lack of democracy, and support for the armed struggle, could ultimately destroy the PCCh?

[Marin] No, not at all! All that is regrettable. These people have worked with us. They are dear comrades. Many of them are valuable comrades, but at times of crisis these things happen; we find out who is who. They no longer shared the same ideas. They have changed their position and their political beliefs.

[Comandari] Have they ceased to be communists because the party no longer meets their ideals?

[Marin] They are not communists any more because they have other political plans. People change. Some people mistakenly view communism as a religion and believe that the party is like a cathedral. That is a tremendous mistake! The PCCh is a living, operating organization made up of human beings who make mistakes. Those who believe that being a party member is a religious matter are mistaken. If ideals become dogmas, everything collapses when changes occur.

[Comandari] You told me yourself that your religious search led you to espouse the party's ideals. That is, communism is a sort of religion.

[Marin] It transforms itself, which is another thing. My concern led me to join a political, democratic party that allows us to succeed as human beings. The PCCh statutes do not prohibit people from having a religion.

[Comandari] Was not religion the opium of the people?

[Marin] That was in the past. We no longer use or say that. This demonstrates that the fundamentals of Marxism-Leninism remain valid, but we must change in order

to keep abreast and meet concrete situations. Religion also has changed and is being affected by other trends.

[Comandari] It is said that within the PCCh everything is discussed but nothing changes.

[Marin] Nothing changes! Today's PCCh has nothing to do with the one that prevailed in the past. Nowadays the rank-and-file members discuss, demand, and participate. The rank and file actually decide the party's policies.

[Comandari] If that is true, why are old party members leaving, saying that this is not the case?

[Marin] That is the distorted opinion being disseminated about the PCCh's internal democratic situation and a disparaging attitude toward its members, who are portrayed as discussing and voicing their opinions but who are letting others make the decisions.... That is a lie! No organization would put up with that. It so happens that a minority group has left the party. This group has a different point of view, a different idea on the transition, on world events. I would say, however, that, in the end, this group maintains a fairly dogmatic position and is a very conservative segment. This group tries to define phenomena that are occurring in other parts of the world and mechanically apply them here.

[Comandari] What do you mean by that?

[Marin] I mean perestroyka, the renewal in the USSR. They believe that it is absolutely necessary and how good Gorbachev is! But that is a Soviet phenomenon and this group is trying to mechanically translate here what is occurring there.

[Comandari] Before perestroyka, the PCCh mechanically followed Moscow's orders.

[Marin] I believe that to a great extent it did, and these are the things that have changed in this party. Today we are using our heads and we believe that there has not been enough creative freedom in the Communist Party. I am sincerely telling you this. These are the things that we have criticized. There, perestroyka is meaningful, but our renewal is different. It is not possible to compare the CPSU—with its 70 years in power, its brutal distortions in exercising power and also in its leaders—with the PCCh that has strong roots in the workers movement, that has effectively worked with the masses, that has surfaced from underground activities, and that has prepared itself for this democratic path in Chile, without any power at all. This, for the vast majority of the party members, means sacrificing themselves for an ideal. Therefore, what comparison can be made with the USSR?

[Comandari] Would you say that Gorbachev's renewal already exists within the PCCh?

[Marin] Nothing as pretentious as that. It is true and we cannot deny that much of the communist parties' system has been standardized; such as the election of a secretary general for life. A long time ago, we rebelled against those mechanical ways of conducting the party. Only ideas can unite us. We never received orders from them; we just imitated them.

[Comandari] Why are the long-term militants currently resigning, criticizing....

[Marin] Because too much attention is paid to those who disagree nowadays, and very little room is given for the party to express itself. Party members also left in the past; the only difference now is that they do so making a big fuss and using the excuse of renewal in a very formal manner. More than the excuse of a renewal, more than the excuse of bringing new ideas, they do it to try to appear as a renewal themselves: "I am renewed" they proclaim and turn the renewal into a new dogma, "renewal for the sake of renewal." The party has undergone a great process of change; the years of the dictatorship forced us to experience a change. We were forced to find new ways of action, organization, and management. This party was left without leadership for a time in this country, which proves how strong, alive, and participative are its militants. I would say that the entire party leadership is deeply interested in the renewal. I think it is wrong to say that those who leave the party represent the renewal. That is not the case! Renewal is within the party.

[Comandari] Has it been put into practice?

[Marin] Of course! How would you explain the fact that a party that does not renew itself, that is conservative, antidemocratic, and has reached a dead end, as some say, was able to gather 60,000 signatures to be able to register as a political party. Most of those who left the PCCh believed that it would not be legally recognized because we were a marginal party in the political arena. As you can see, it has been registered throughout Chile and has the great support of the people despite the lack of information about us.

[Comandari] The signature of 60,000 people does not mean victory....

[Marin] There are more of us. How do you explain the results of the latest labor union elections? We obtained the majority in the health sector. The Communist Youth obtained the majority of votes at the elections in the Northern, Antofagasta, Atacama, Talca, and Bio Bio Universities. The same goes for the elections in the neighborhood councils.

[Comandari] What would you tell Antonio Leal [former PCCh militant], who says that the party is undemocratic, that it is authoritarian, and that it is the Central Committee, not the secretary general, that rules?

[Marin] Frankly, I do not believe that those who use the excuse of a little renewal within the PCCh as a publicity tool deserve an answer. I believe it is abusive. In politics we need a minimum of moral standards and personal

values. To use this sort of thing to make an impact on the people during an interview shows that it is based on falsehoods about the party.

[Comandari] Do you refute Antonio Leal's letter?

[Marin] Absolutely!

[Comandari] Does the Central Committee, rather than Volodia [Teitelboim], manage the party?

[Marin] Why Volodia? Why the need to personalize? Volodia is the party's highest leader, who enjoys the peoples' support, but he is a person. One thing we have learned is the need to have a collective leadership. The Central Committee, the political commission, and Volodia have been elected and that is the collective leadership that functions. What an absurd charge to make. In the past, they accused us of maintaining personality cults. The Central Committee is in charge of the party's future, is in charge of synthesizing the partisan discussions. These criticisms only seek to justify the political change, they no longer consider a social revolution, about the working class, that imperialism exists—even if it takes the shape of multinational enterprises, that the struggle of classes exists; these are basic issues that they have abandoned. They talk about agreements, about concessions.

[Comandari] Are they not in favor of agreements?

[Marin] It depends on how those agreements are forged; they should benefit the workers first. Nearly everyone is a worker and so by liberating the worker, society is liberated. The PCCh struggles for justice and democracy.

[Comandari] Is it not inconsistent that the Communist Party should strive for democracy, considering that it does not practice internal democracy and that it promotes the dictatorship of the proletariat?

[Marin] That position belongs to the past **she jokingly says.** People claim that the party employed such positions, but we already have left such positions behind. Many communists stopped speaking about the dictatorship of the proletariat many years ago. Today the call to the communist congress in Cuba states that this expression already has been abandoned. We do not speak about the dictatorship of the proletariat. The essence of the idea is that each government has its own concept of power and that power belongs to a social class or to a group of classes. Our concept of power is that it should belong to the workers, to the working class. Power should be exercised strongly, as is done by all governments.

[Comandari] What do you mean by "strongly"?

[Marin] Strongly applies to everything having to do with the preservation of order in society and with the defense of democracy.

[Comandari] Through arms?

[Marin] How does this government, or for that matter any other government, defend democracy? What happened to Menem in Argentina? He had to defend democracy with arms.

[Comandari] That was a revolt. Dictatorships defend power with arms. Is that the democracy advocated by the Communist Party?

[Marin] Our concept of power involves the defense of power and of our achievements, which in this case are for the workers.

[Comandari] You do not speak about the dictatorship of the proletariat, but the idea is the same.

[Marin] The essence and substance is the same. We believe that when we reach power we will have to defend it and that we will have to resort to force to defend our achievements. Logically!

[Comandari] You are seen as the person responsible for promoting the armed struggle in order to gain power and the personification of the PCCh's support for the FPMR [Manuel Rodriguez Patriotic Front].

[Marin] I understand that some people say that, but they have forgotten what happened in this country. The people had to find other forms of struggle to confront the situation. We were not the ones who devised different forms of action; it was the violence of the dictatorship that elicited the different forms of action. This is not the situation today. We have said a thousand times that the FPMR is not part of the PCCh. Some party militants were members of that group, but we do not manage it.

[Comandari] Former PCCh member Antonio Leal accuses the PCCh of supporting the FPMR.

[Marin] That shows ignorance. The FPMR was not, and is not, the armed branch of the PCCh. What happens within the FPMR is their own business. It is not active now.

[Comandari] One of the people who attacked the O'Higgins Museum committed suicide recently. He was a member of the FPMR.

[Marin] I doubt it! Many actions over the past few months were carried out by the CNI [National Intelligence Center].

[Comandari] Everybody accuses the CNI, but where is the evidence? Has the FPMR been dissolved?

[Marin] I don't believe the FPMR has been dissolved. The FPMR should agree to dissolve of its own accord as an autonomous decision, but the FPMR is not active now; it struggled yesterday for recovering this democracy. Now, if there are armed actions by people who were members of the FPMR or armed actions resulting from division within the FPMR, that is something else. I want to tell the FPMR people that I recognize their valuable contribution and their courage; a quality not possessed by those who today welsh on the past and do not

recognize the role the FPMR played at that time. That is what I first want to tell the FPMR people; then I want to tell them that I believe they know that a change has occurred in Chile.

Leal tells fabrications to put on a front and gain publicity. It is easy to blame things on the PCCh. **She asserts that she prefers the truth to being appointed to a post.** I was undersecretary of the party while it was underground. Who knew it? Nobody! I don't care if the posts I hold are known and that is why I asked in the 15th Congress to eliminate the post.

[Comandari] Why did your plan to be secretary general of the PCCh fail? **For the first time she seems really annoyed, as though she has been touched on a little-known sensitive spot that makes her vulnerable.**

[Marin] I never had any plan to be secretary general, and many people can attest to this. I was against the mere idea of that happening! I have never been interested, nor am I interested, in occupying that post. It is an exhausting job. It seems to me a petty and selfish attitude for someone to say "probably that is her personal plan." As anyone else knows their ability, I know my mine and I prefer to contribute to a group. My aspiration is to be a real and honest communist.

She laughs when I tell her that she is considered the power behind the throne, and responds sarcastically.

[Marin] That is all just a caricature! We all have power in the Central Committee, and I think that we all have to strive to be a personality within the party.

[Comandari] PCCh militants say that Volodia Teitelboim was the hope for renewal that faded away when the Central Committee assumed power.

[Marin] These are the interpretations that they make. It is important to know what kind of renewal we want, not forgetting that we want the PCCh to be an instrument of revolutionary change that will transform the system in depth.

[Comandari] The same thing was proposed during the Popular Unity [UP] government and it failed. Where is the renewal?

[Marin] The changes as such did not create the problems. There was a lack of unity on political ideas, the economy, and education. There was a lack of a more consolidated project. Revolution is a necessary social change, but it does not need to be bloody. Revolution represents liberation.

[Comandari] The liberation of some and the oppression of others, right?

[Marin] It does not mean that others must be oppressed; it means that the rights of a group are to be transferred to the majority. Of course, minority groups that rise up against the government must be repressed.

[Comandari] During the UP government, a minority group wanted to repress the majority, provoking a crisis.

[Marin] The crisis under the Allende government was provoked by U.S. intervention. There were errors made, but none that could justify what happened. We must learn that profound revolutionary changes seek to increase the people's perception. Things do not happen overnight, and we have learned that socialism needs a longer time. The important thing is who is in charge of the government.

[Comandari] Do you not think that the failure to solve the current PCCh crisis reflects the inefficiency of its leaders?

[Marin] There is no failure. On the contrary, we are solving the crisis. Those who have left the party are part of the crisis, which we have admitted and for which we assume the responsibility, but there is no failure. The overwhelming majority of party members are still in the party. Despite the conservative wave spreading throughout the world, the PCCh is alive, effective, and without divisions.

[Comandari] Even though the Arco [not further identified] group is trying to create a faction within the PCCh?

[Marin] They are no longer communists. There can be plots, thinking that in times of crisis all communist parties can be overthrown, and this is taking place internationally. However, we are strong, and we will advance. All militants feel a tremendous concern and dissatisfaction because this is not yet the party we need, but we are making efforts to further improve it. It is a democratic party that discusses and makes decisions collectively, allows the participation of its militants, and publicly prepares the party's new statutes and programs, but we want more. We want to express our creativity, to pay more attention to militants' opinions, and to spend more time on preparation.

[Comandari] You talk about helping the government, but it is said that the PCCh is seeking to destroy the government and divide the Socialist Party [PS] in an effort to seize power.

[Marin] These accusations show that some people want to appear to be defenders of this government. We have been very clear: We are hoping for the success of this transition government because we have been part of it and because we have constructive, critical, and active independence. We appreciate the achievements of the past few months, although the people's demands must be met. The fact that the government is implementing an economic model equivalent to that of dictatorship is very serious, in our opinion. It means that the government agrees that the price must be paid by the people. We have here a capitalism that represents tremendous inequality, with no prospects whatsoever, with 5 million poor people. There are people within the government who defend this system, although with some changes. We

are proposing a different system; the workers reject this neoliberal economy because they must pay the price.

[Comandari] You have participated in politics from a very early age. Do you participate from the point of view of a woman, or have you been absorbed by the male way of thinking?

[Marin] ...This is an interesting and complicated question. Politics is a form of service, of achievement, with the feeling of not being oneself; it is very noble. Nevertheless, this government has given very little room for women and for the young. It is dangerous that the government does not have a policy for younger people, who have so much to contribute.

Colombia

Government Asks U.S. To Continue Trade Study

PA2812192490 Hamburg DPA in Spanish 1656 GMT 28 Dec 90

[Text] Bogota, 28 Dec (DPA)—While rejecting a statement by U.S. Trade Representative Carla Hills, who said that it is "premature" to hold bilateral discussions on the issue of the free trade zone, Colombia asked the United States to make progress in the study of a future free trade zone included in the "Initiative for The Americas" presented by Washington.

According to the Bogota morning newspaper EL ESPECTADOR, Hills sent a letter to Colombian President Cesar Gaviria Trujillo stating that the study of a free trade and investment zone between the United States and Colombia would be advisable once the situation of the Uruguay GATT round is solved and once the first results of the negotiations that her country is conducting with Canada and Mexico are seen.

In addition, the U.S. official indicated that the United States wants to form a bilateral working group to discuss the issue of intellectual property.

Colombian Economic Development Minister Ernesto Samper Pizano told Hills that the Colombian Government disagrees with the U.S. position because "Bush's Initiative for The Americas establishes that the countries should begin discussing the possibility of establishing a free trade zone between the United States and Latin America within a bilateral framework."

Samper Pizano also explained that it is not necessary to wait for the results of the U.S. bilateral negotiations with Mexico and Canada because those countries' economic situation is "very different" from that of Colombia.

PRT, Government To Sign Peace Agreement

PA2812193290 Bogota Inravision Television Cadena 2 in Spanish 1737 GMT 28 Dec 90

[Report by Luis Carlos Otero]

[Text] President Cesar Gaviria Trujillo's advisory committee for peace-related matters, headed by adviser Jesus Bejarano, has arrived at the Don Gabriel corregimiento of Ovejas municipality, Sucre Department, to sign a final peace agreement with the Revolutionary Workers Party, PRT.

[Begin recording] [PRT leader Valentin Gonzalez] The PRT will initiate the phase of re-entry into civilian life when we give up our weapons. The PRT is giving up its weapons; it is not surrendering them. This is a more appropriate concept. Presently, we are determining the date we will give up our weapons and believe this will take place seven days before the constituent assembly is formed.

[Jesus Bejarano] We are working in commissions, and the negotiations are advancing. We hope to have a pre-agreement on 9 January. We will continue to work on this draft until final agreement is reached, hopefully on 20 January. [end recording]

Peace Agreement Signed

PA2912153490 Bogota Radio Cadena Nacional in Spanish 1215 GMT 29 Dec 90

[Text] Ovejas, Sucre Department—The national government and the self-styled Revolutionary Workers Party, PRT, signed a peace agreement yesterday in which the insurgent group committed itself to surrendering its weapons and joining civilian life.

During a meeting between government officials and spokesmen for this subversive group, it was decided that the PRT would turn over its weapons and burn all of its military clothes on 26 January. The agreement also says that this guerrilla group will join civilian life to become a legal political party with direct participation in discussions of the national constituent assembly.

The government and the subversives agreed that the latter will throw their weapons into the Caribbean Sea and detonate any remaining explosives.

PRT spokesmen said that the main objective of the agreement signed yesterday is to make a positive contribution to the current government's negotiation processes, which are aimed at attaining a reconciliation and ensuring that the peace aspirations of the government and the subversives groups materialize.

FARC Leader Proposes Cease-Fire

PA2812195290 Bogota Inrvasion Television Cadena 2 in Spanish 1739 GMT 28 Dec 90

[Report by Jose Manuel Saenz]

[Text] Manuel Marulanda, aka Tirofijo, the commander of the Revolutionary Armed Forces of Colombia (FARC), talked to a Spanish television correspondent and proposed a peace plan to the Colombia Government. The rebel leader proposed that a parliamentary

commission, formed by representatives of all the Colombian parties, find a solution to the problem.

[Begin recording, in progress] [Marulanda] ...military, Colombian president....

[Unidentified Spanish reporter, interrupting] During a radio conversation with this correspondent, Marulanda admitted the severity of the Army's offensive that has killed more than 30 guerrillas in the past 48 hours. Tirofijo asserted that the Army bombed the Casa Verde, the FARC headquarters, without the government's agreement. He said the government was negotiating with the FARC at the time of the offensive.

The leader of the oldest guerrilla movement in South America called on all political parties to establish a parliamentary commission to search for a solution to the conflict.

The Armed Forces say that the rebels have been cornered. However, it does not want to give information on the situation, although the offensive took place 18 days ago. The Army occupies the Casa Verde now but, must maintain 4,000 soldiers in the jungle in order to do so. The Armed Forces' bombings have caused the exodus of thousands of peasants, and the situation is so serious that the parliament has had to call for the immediate inteven-tion of the Red Cross. More than a month ago, the FARC announced over Spanish television their lastest cease-fire proposal, which was to be under the supervision of the Spanish Government. The military offensive against the Casa Verde was held on the same day that the Colombians voted for constituent assembly representatives. [end recording]

Minister Says Talks With Rebels To Continue

PA3012125090 Bogota Radio Cadena Nacional in Spanish 1200 GMT 29 Dec 90

[Text] Bogota—The National Government has announced that it will continue its open-door policy with rebels wanting to participate in the peace process, in spite of the offensive launched by the National Guerrilla Coordinating Board against military installations and towns in various regions throughout the country.

This announcement was made by the new government minister, Humberto De La Calle Lombana, after he was sworn in by President Cesar Gaviria Trujillo in Cartagena.

The new minister also said that the peace process with the rebel movements in Colombia will not change. Thus, the policy of holding talks with the Revolutionary Armed Forces of Colombia and the Popular Liberation Army will continue, in spite of the offensive launched.

Regarding the possibility of holding talks with the so-called Extraditables to secure the release of the journalists, De La Calle Lombana said that the government cannot discuss peace as long as the journalists remain hostage.

FARC Attack Leaves Caqueta Without Power

PA2812225990 Bogota Radio Cadena Nacional in Spanish 1200 GMT 27 Dec 90

[Text] Florencia, Caqueta Department—At this moment, 80 percent of Caqueta Department is without power because a Revolutionary Armed Forces of Colombia (FARC) guerrilla column blew up a utility pole. According to the official report, the terrorist action destroyed utility pole No. 92, located along Cordoba Road, a few km from Florencia, the capital city of Caqueta Department. The report indicated that a 50 kg bomb was detonated at the base of the tower at 1730 on 26 December. Spokesmen from the Caqueta Power Company have indicated that this terrorist action has interrupted power in Altamira, Huila, and Florencia, in Caqueta Department. The company sent a crew of men to begin repairs on the utility pole immediately after the attack; they have reported that the area will probably be without power for at least four days, because it was completely destroyed. [Words indistinct] state security said that the action was FARC retaliation for the military offensive against Casa Verde, the FARC headquarters.

EPL Group Takes Weapons, Leaves Labores Camp

PA3012022990 Bogota Inravision Television Cadena 1 in Spanish 0105 GMT 30 Dec 90

[Text] A group of guerrilla fighters—between 30 and 70 men—have abandoned the EPL [Popular Liberation Army] camp in Labores, Antioquia Department. Even though there are still no specific details, Noticias Uno newscast learned that they are deserters of the peace process.

Camilo Santacruz, a member of the EPL general staff, talked with Noticias Uno newscast over the telephone.

[Begin Santacruz recording] It is true. Some desertions have taken place in the camp. We are trying to confirm how many men have deserted the camp. [end recording]

The report from the 4th Brigade in Medellin said that approximately 70 guerrilla members took their weapons and left Labores for an unknown destination. The EPL has stated, through Anibal Palacios—its political spokesman in Bogota—that a small number of fighters have left the camp.

Between 300 and 400 fighters gathered in Labores approximately six months ago, and they are waiting for a peace agreement to be signed with the government. The extended situation has reportedly resulted in some of the fighters' desertion.

Nevertheless, Camilo Santacruz said that the EPL's decision to return to civilian life remains unchanged.

[Begin Santacruz recording] Nevertheless, we must hold talks so that this does not jeopardize the peace and

democratization process on which we embarked quite some time ago. [end recording]

A special meeting is being held this evening among the EPL general command members who are in Labores to analyze the current situation. Absolute peace is reported at the camp and among the other guerrilla members who are waiting for their demobilization.

Ecuador

Foreign Ministry Condemns Coup in Suriname

PA2912034190 Madrid EFE in Spanish 0125 GMT 29 Dec 90

[Text] Quito, 28 Dec (EFE)—The Foreign Ministry today issued a communique condemning the military coup that ousted Suriname's constitutional government on 24 December.

Acting Foreign Minister Hernan Escudero said that the coup is a step backward in Latin America's democratization process.

Escudero added that Ecuador is in contact with other democratic regimes on the continent to begin a joint initiative concerning this regrettable episode.

Oil Production To Increase in 1991

PA3012124590 Hamburg DPA in Spanish 1821 GMT 24 Dec 90

[Text] Quito, 24 December (DPA)—Ecuador announced today its intention to increase its current oil production level from 285,000 barrels per day [bpd]—the ceiling authorized by OPEC for the second half of 1990—to 308,000 bpd during 1991.

"We do not believe there will be any quota problems," said Carlos Izurieta, the Ecuadoran Ministry of Energy and Mines spokesperson, in announcing the production increase. This announcement comes when the international price of oil stands comfortably higher than the $18 base price per barrel set by OPEC, of which Ecuador has been a member since 1973.

In 1990 Ecuador will receive additional revenues of approximately $200 million thanks to the increase in the price of oil caused by the Iraqi invasion of Kuwait on 2 August. For budget purposes, Ecuador had estimated the sale price at $15 per barrel.

According to a government proposal, Ecuador will set the reference price for its oil at $16.25 for 1991, although the congressional budget committee supports a higher price of "at least $17 per barrel," according to committee Chairperson Cecilia Calderon.

In previous years, Ecuador had produced more than 300,000 bpd, which it then reduced based on an OPEC request in accordance with a system of quotas and maximum production levels designed to maintain a balance between supply and demand in order to stabilize the price of oil.

Paraguay

Rodriguez, Menem Sign Energy Exchange Protocol

PY3112010290 Asuncion ULTIMA HORA in Spanish 28 Dec 90 pp 14, 15

[Text] Formosa, Argentina—Paraguayan and Argentine Presidents Andres Rodriguez and Carlos Saul Menem, respectively, today signed protocols on energy exchange and trade between the two countries. The two presidents also signed a joint declaration.

The energy protocol says:

1. The Republic of Argentina will supply the Republic of Paraguay with oil from the northern oil production basin, especially from the Palmar Largo oil field in Formosa Province.

2. The export operation will be carried out by Government Oil Deposits (YPF), a state enterprise, and/or by a company to be named, and the import operation will be carried out by Paraguayan Petroleum, Inc. (Petropar).

3. The oil price, form of payment, volume, methods of delivery, and operational details will be established by agreement between the parties in a contract to be signed in the first half of 1991.

4. The Republic of Argentina will supply the Republic of Paraguay with oil by-products such as diesel fuel, fuel oil, premium gasoline, regular gasoline, lubricants, and other by-products. An agreement was reached to extend the oil supply contract signed between YPF of Argentina and Petropar of Paraguay from 31 January 1991 to 30 January 1992, and the two oil companies are advised to reach an agreement, before 30 January 1991, on prices, form of payment, volumes, methods of delivery, and operating details related to the contract.

5. The Republic of Argentina will also supply liquefied petroleum gas to the Paraguayan market through renewal of the contract signed by the State Gas Corporation of the Republic of Argentina and Petropar of the Republic of Paraguay for one year starting on 1 January 1991. Through this agreement, the State Gas Corporation will supply 60,000 tons of liquefied petroleum gas a year to Petropar. The two companies are advised to reach an agreement before 31 December 1990 on prices, form of payment, methods of delivery, and other operational details.

6. If the Norte Grande gas pipeline project is built in the Republic of Argentina, the government promises to supply natural gas to the Republic of Paraguay through an extension of the gas pipeline to be built through the public work bidding system.

7. The Republic of Paraguay will supply the Republic of Argentina with fuel oil produced by Petropar under prices, conditions, and other details to be agreed on in a contract between Petropar and YPF.

8. The Republic of Paraguay expresses its interest in purchasing Argentine charcoal for steel making in quantities, prices, and technical conditions to be agreed on by the companies of the two countries. The Argentine Government promises to facilitate the operation.

9. The Republic of Paraguay will supply the Republic of Argentina with electricity through connections to be agreed on by the Argentine Energy Undersecretariat and the Paraguayan National Electric Power Administration (ANDE), based on an agreement signed by the two organizations in Asuncion on 30 March 1987. Consideration must be given to the interconnection projects mentioned in the Energy Integration Protocol signed by the foreign ministers of the two countries on 28 November 1989, especially the interconnection project between Clorinda [Argentina] and Guarambare [Paraguay], which must be based on Technical Note No. 3 signed by Water and Energy (A y EE) of Argentina and ANDE of Paraguay on 10 March 1989 within the framework of the aforementioned agreement.

Protocol With Argentina Adds Concessions

PY3112013490 Asuncion ULTIMA HORA in Spanish 28 Dec 90 p 15

[Excerpt] Formosa, Argentina—According to the Protocol on the Increase of Paraguayan-Argentine Trade signed this morning by Presidents Rodriguez and Menem, new mutual concessions will be added to Annexes I and II of the Agreement on Economic Cooperation and Sub-Regional and Border Integration signed in Asuncion on 28 November 1989 and/or Partial Agreement No. 26.

After signing this protocol, Paraguay will be able to export—without any tariff barriers—crushed rock for roadbeds, 150,000 tons of clinker per year, and 50,000 tons of Portland cement, pozzolanic cement, and cement for masonry work per year.

Paraguay also will be able to export to the neighboring country—with a 20-percent tariff—boards, planks, and beams of Brazilian mahogany, cinnamon, mahogany, cherry wood, plum tree wood, and soft wood.

Argentina will be able to export—without any tariff barriers—gypsum to Paraguay. [passage omitted]

Peru

Fujimori 'Confident' of U.S. Financial Support

PY2912024490 Madrid EFE in Spanish 2226 GMT 28 Dec 90

[Text] Lima, 28 Dec (EFE)—Peruvian President Alberto Fujimori stated today that he is confident that Peru will receive financial support from the United States. He did acknowledge, however, that this support is closely tied to the effectiveness of the anti-drug struggle.

Peru, the world's main producer of coca, is trying to get a group of countries led by the United States to lend it $800 million to pay back some of the country's debts to international credit organizations, to which it owes $2.2 billion, in order to be able to rejoin these organizations after five years of virtually severed relations.

The administration of U.S. President Bush ties its credits to drug-producing countries to their ability to implement an effective repressive policy that, in the case of Peru, has been questioned.

In his statement to foreign media correspondents, President Fujimori acknowledged that "although the Peruvian Government is to blame for the clear failure" of the anti-drug struggle in Peru, "so is the international community."

Fujimori expressed his administration's will to eradicate drug trafficking with international help in order to switch approximately one million peasants living off coca cultivation to legal activities. This would be done through effective measures capable of granting the peasants rights to their land and creating secure markets free of protectionist barriers.

The Peruvian chief executive said that the traditional approach to the anti-drug struggle in Peru has been deceptive both domestically and abroad because "in the end our enemies have gained ground." He was referring to the spread of coca plantations—over 200,000 hectares—and the increased activity of gangs of drug traffickers.

Fujimori added, however, that his administration will continue "to the extent possible" police and military repression of drug trafficking, destroying illegal airstrips in the northeastern jungle, and shooting down planes that carry drugs, as it started to do last week.

According to sources close to the negotiators of new loans to Peru, the United States is expecting "some positive signs" in the struggle against drugs before making up its mind to head a group of countries that would help Peru cope with its most pressing needs.

Various sectors within the U.S. Administration recently criticized Peru over the lack of results in the struggle against drug trafficking. Many observers have interpreted this to be an increase of pressure tied to the negotiations in the quest for loans.

Criticizes DEA

PY2912140690 Lima Domestic Service in Spanish 1200 GMT 29 Dec 90

[Text] President Alberto Fujimori has observed a failure in the struggle against drug trafficking. He warned, however, that his government is determined to prevent

uncontrolled growth in the production of coca leaves in order to curb drug trafficking.

The chief of state also urged the international community to become fully conscious of this social scourge in order to confront it. He criticized the U.S. Government's anti-drug strategy, which is largely repressive. Fujimori indicated that, although it has been supporting the police forces, the DEA has been unable to curb this social scourge.

Calls For Global Cooperation

PY2912165490 Lima Domestic Service in Spanish 1200 GMT 29 Dec 90

[Speech by President Alberto Fujimori to members of the diplomatic corps accredited in Lima at a presentation of year-end greetings by the diplomats at Government House on 28 December—recorded]

[Text] Exactly five months ago, on 28 July, I had the great honor of receiving your greetings and the greetings of the governments that you are representing at a time when the country was, as the adage says, in a dark tunnel.

We were immersed in an extremely serious crisis, with somber prospects. Under those circumstances, which were so difficult for Peru and for my people, I took over the government and was able to find among my compatriots collaborators who courageously decided to contribute their experience and patriotism in order to move Peru forward. Therefore, I want to say that the groundwork we have laid in these five brief months represents the foundation on which my government will continue to develop.

In the next few years, we want to combat, to firmly struggle against some things that are jeopardizing our incipient democracy. This involves firmly struggling against those subversive groups that have caused so much damage to our country. It involves struggling with responsibility and respecting human rights. This struggle cannot be waged by ignoring another social scourge that not only affects our country, but the entire world. I am talking about drug trafficking.

Concerning drug trafficking, my government has a resolute position of effectively struggling against it—not only by simply taking (?cosmetic) actions, but by implementing effective actions because we responsibly uphold the international duty to defend democracy and our youths.

At this moment, I am also asking all countries in the world to cooperate and join us in the struggle against this scourge.

Military 'Incompetence' in Mobil Attack Condemned

PY2912011090 Madrid EFE in Spanish 0430 GMT 28 Dec 90

[Excerpt] Lima, 27 Dec (EFE)—A special Peruvian Senate committee today claimed that the "inefficiency" of the Armed Forces was responsible for a terrorist attack on a U.S. Mobil oil company camp in a high-risk zone of the northeastern jungle area.

Senator Juan Inchaustegui, the committee chairman, told the media that the Defense Ministry demonstrated its "incompetence and inefficiency" in preventing the attack because people knew about the presence of guerrillas in the camp, which is located in the conflictive coca area near the Huallaga River.

The conclusions of the special committee investigating the events, namely that the Peruvian Armed Forces could have prevented the attack, were signed by the six senators who made up the committee and reported to Peruvian President Alberto Fujimori.

The attack was carried out on 10 December by about 150 guerrillas from the Maoist Shining Path group, who held the camp and the neighboring towns, about 560 km northeast of Lima, under their control. The guerrillas used two helicopters leased from an enterprise controlled by the military to transport their men and bombard the facilities.

Inchaustegui held both Defense Minister General Jorge Torres Aciego and the political-military command of the Huallaga region—which is headed by General Oswaldo Hanken—"politically responsible" for the attack. The Huallaga region is under a state of emergency. The Senate committee tacitly asked for the removal of the two generals.

The Popular Action (AP) party senator added: "We have discovered that, although the Armed Forces lack some necessities and do not have full operational capability, they could have prevented the attack."

Inchaustegui also said: "Inefficiency and negligence prevented the taking of appropriate actions, despite the fact that many days before the attack there was clear information and knowledge that there were movements of subversive criminals who could obviously capture a very important camp." [passage omitted]

Fujimori Voices Support for Security Forces

PY2912162490 Lima Television Peruana in Spanish 1800 GMT 28 Dec 90

[Speech by Peruvian President Alberto Fujimori to Armed Forces and National Police representatives at Government House; date not given—recorded]

[Text] Gentlemen: I sincerely thank you for the good wishes you have expressed to me. In my capacity as president of the republic and supreme commander of the

Armed Forces and the National Police, I represent a government that in the past few months has identified itself with a cause and a commitment undertaken together with the Peruvian people. A commitment that in fact only reflects the desire of the entire citizenry to come out of the crisis that has been choking the country, to strengthen the values of constitutional democracy, and to materialize with deeds the aspirations of our people for a fair fatherland that identifies with the ideals of those who died to give us freedom and independence.

My government has never engaged in a search for easy praise or the recognition of only a few and has firmly kept away from the temptation of demagoguery, which traditional politicians accustomed us to. This has been the rule that I have always followed because I came to power to listen to the peoples' aspirations, to serve the people to whom I belong, to solve the problems that suffocate us even if it entails harsh and frequently misunderstood measures, to do away with the vices and scourges that have plagued our society for so many years, to get rid of unjust privileges, and primarily—with the cooperation of the entire country—to firmly fight the criminal terrorism that causes so much sorrow and bloodshed for so many Peruvian families and especially, for such brave members of our Armed Forces and National Police.

I have not given up my determination to achieve these goals, and I repeat that I am not going to fail you. My government fully respects all freedoms established in the Constitution, especially those related to human rights. I am not, however, going to play the game of those who, in the name of this freedom, try to prevent us from defeating subversion. We are determined to fight terrorism, as well as drug trafficking, because we know that the more progress they make, the greater threat they represent to democracy and the state of law.

In this struggle, which is still not fully understood, our Armed Forces and the National Police have been acting unselfishly and with determination. In this regard and in my capacity as supreme commander of the Armed Forces and the National Police, I express my full support and recognition for the patriotic mission you are carrying out to defend the democratic system despite the serious economic and material limitations you have in fulfilling your duties.

My government is willing to implement all complementary measures that may be necessary to improve the national defense system, to increase the operational capability of the security forces, and to give them the necessary legal framework to allow the state of law to confront the irregular war we are waging.

Gentlemen: Peru is going through decisive hours in which its future is being decided. Therefore, at this year-end meeting when you have come to greet me, I reiterate that my government has made a political decision to struggle in a responsible, intelligent, and resolute manner against homicidal terrorism and corruptive drug trafficking in a comprehensive manner. This struggle will not exclude the institutions of civilian society. We will thus form a single front against the enemies of Peru and democracy.

I wish you a prosperous new year. Long live Peru. [applause]

Fujimori Accuses Mobil of Contact With Guerrillas

PY2912135690 Madrid EFE in Spanish 2201 GMT 28 Dec 90

[Text] Lima, 28 Dec (EFE)—Peruvian President Alberto Fujimori—in response to charges by a Senate committee holding his government responsible for a recent terrorist attack on the U.S. enterprise Mobil oil—stated that enterprises based in the jungle probably have contacted guerrillas.

Fujimori, in a statement to foreign journalists, asserted that if the current investigation determines that contact was actually made, it will prove that "those who accept this coexistence are also responsible."

A Senate committee investigating a 10 December attack on a U.S. Mobil oil prospecting field stated that the Armed Forces could have prevented the attack, but Fujimori refuted that saying: "Apparently, there was never any wish for protection."

Some 150 members of the Maoist "Shining Path" terrorist group took part in the attack, and the Senate committee asserted that "due to inefficiency and neglect," the Armed Forces did not react although they knew the guerrillas had the prospecting field and neighboring towns under their control for 45 days before the attack.

Fujimori said he is waiting for precise information on the case before responding to the Senate committee's request that he dismiss Defense Minister General Jorge Torres Aciego, whom it considers "politically responsible for the deficient" performance of the Armed Forces.

The field, located in a 3.5 million-hectare area in the conflictive coca growing region of the Huallaga River, heart of Peruvian drug trafficking, was blown up with explosives and bombed from two helicopters even though it was under military control.

President Fujimori denied that terrorist actions have increased during his five months in power—since 28 July—and asserted that they "continue at the same rate." Fujimori blamed previous governments for the "frightening progress" made by terrorism, which, according to official data, has caused the death of more than 20,000 Peruvians and [illegible] economic losses to the country amounting to [illegible]illion, an amount similar to that earned fr[illegible]er six years.

The president added tha[illegible] greater participation by civilian society in [illegible]gainst the guerrillas

and that "one of the most effective ways of fighting terrorism is the peasant defense patrols," which are organized by the security forces and carry very rudimentary weapons. Fujimori asserted that his government will protect civilian society from this "war" and added that the guerrilla groups are responsible for the inevitable disappearance of people with the objective of blaming the security forces.

Peru, for the third year running, has had the largest number of missing people in the world. Fujimori said this situation was prompted by "the lack of action by previous governments." The president added that members of the security forces who are found guilty of violating human rights according to military laws will be punished.

The Peruvian Government, Fujimori added, will prevent—in the case of unsubstantiated assumptions—the exposure of military men and policemen operating under false identities in the most conflictive zones because they would become an easy target for attacks.

"It is a dangerous game. We will defend human rights" without restrictions, "but these rights must also benefit policemen and military men," Fujimori told the weekly CARETAS, the country's most influential weekly. The weekly claims that it has discovered the identity of two high-ranking military leaders. The weekly holds these military leaders responsible for the killing of one of its journalists near Huanta (Ayacucho) in 1988.

The Inter-American Court could sentence Peruvian authorities for the killing of journalist Hugo Bustios based on the alleged lack of military cooperation in the pertinent trial by a civil court.

Fujimori Considering 'Possible' Cabinet Changes

PY2912203090 Madrid EFE in Spanish 1915 GMT 29 Dec 90

[Text] Lima, 29 Dec (EFE)—Peruvian President Alberto Fujimori today admitted that the entire Peruvian cabinet has placed their jobs at his disposal for possible changes. He did make it clear, however, that "this does not mean that they have resigned."

Fujimori added that, undoubtedly, "the streets are full of rumors" on this subject and some of the metropolitan dailies have picked them up, but the only thing he would do is "praise each and every one of the ministers who had the courage to face Peru's problems at a time when no one would give half a cent for the country."

Fujimori told a group of local journalists who interviewed him at Government House that he is not planning to replace the justice, defense, or economy ministers.

He went on to say that he will not replace his ministers "on pretexts, out of demagoguery, or for petty political reasons within the administration," although he admitted that there "may be changes" in some of the ministries.

The Peruvian president referred specifically to General Jorge Torres Aciego, retired, whom a Senate investigative committee charged with "ineffectiveness" on 27 December. According to the committee, this ineffectiveness allowed extremists to attack an oil field belonging to the Sereal company, a subsidiary of the U.S. Mobil oil company, on 10 December. The oil field was totally destroyed.

The investigative committee believes that the defense minister is "politically responsible" for this attack because it was known 10 days before the attack that the terrorists were in the area of the jungle where the Sereal company was operating.

Fujimori stated that if this is the only argument for dismissing the minister, "he will remain in his post." Fujimori added that he was "evaluating the performance of the defense and justice ministers."

He also said he was looking into the activities of the Sereal company and "its coexistence with the subversives, which has to be confirmed."

Police Report on 1990 Anti-Drug Operations

PY2912200090 Madrid EFE in Spanish 1616 GMT 28 Dec 90

[Text] Lima, 28 Dec (EFE)—The National Police stated in a report released today that in 1990 it seized 27,474 kg of various drugs—including 24,244 kg of cocaine paste, detained 150 drug traffickers, and destroyed 162 clandestine cocaine laboratories.

The Peruvian police also destroyed 208 coca maceration pits, 17 clandestine airstrips, and 59 homes belonging to drug traffickers, most of them in the northern Peruvian jungle.

The report adds that police agents destroyed 53,000 kg of coca leaves ready for maceration and seized 49,000 kg of chemical products used in manufacturing cocaine base, such as sulfuric acid and acetone.

The National Police carried out 300 operations in the area of the Huallaga River Valley, in the northern department of San Martin, where drug trafficking is more intensive, the report concludes.

Police Arrest 10 'Subversives' in Huaraz

PY2912194090 Lima Television Peruana in Spanish 0100 GMT 29 Dec 90

[Excerpt] Adolfo Cuba y Escobedo, general director of the National Police, confirmed today that 10 subversives involved in terrorist actions have been arrested in Huaraz. He also announced that security measures have been reinforced in Lima and asked the people to cooperate with the police.

[Begin recording] [Cuba y Escobedo] The police have taken all the necessary measures. We are deploying all our operational forces to prevent attacks.

[Reporter] How many police officers are going to maintain security?

[Cuba y Escobedo] There is no need to give numbers. All our units have been deployed.

[Reporter] But two policemen were attacked yesterday and were unfortunately killed.

[Cuba y Escobedo] You know that subversives have all the time they need, unfortunately. They have the initiative. We are trying to counteract that initiative through the effort and sacrifice of our police officers. [passage omitted] [end recording]

Castro Diaz-Balart on Nuclear Cooperation

FL2812130890 Havana Tele Rebelde Network in Spanish 1200 GMT 28 Dec 90

[Text] Nuclear energy cooperation between Peru and Cuba could be expanded because of the existing similar programs in the areas of medicine, radiation of food, and radiology protection. This was said in Lima by Fidel Castro Diaz-Balart, executive secretary of the Cuban Atomic Energy Commission. After meeting with the Peruvian energy and mines minister, Castro Diaz-Balart talked to the press about his visit to the (Juarangal) nuclear power plant, where he observed Peru's potential in that important area.

Uruguay

Poll Indicates Lacalle Losing People's Support

PY2712113890 Montevideo Radio El Espectador Network in Spanish 1000 GMT 27 Dec 90

[Text] President Luis Alberto Lacalle said this week that he is not concerned about losing popular support over his performance, as was revealed in a recent survey by teams of consultants. He said that he knows that the measures being taken are not popular.

Lacalle admitted that such measures will not be popular next year either. He noted: We are going to apply measures in our country that are necessary, measures that should have been implemented a long time ago, measures that are not pleasant, but there is no other alternative.

According to the survey, 60 percent of those who live in the capital and 56 percent of those who live in the main cities of the interior disapprove of the current government's performance.

Soviet Agency, Magazine To Exchange Workers

PY2312213690 Montevideo BUSQUEDA in Spanish 6-12 Dec 90 p 14

[Excerpts] On 3 December, the Soviet news agency NOVOSTI and the magazine BUSQUEDA signed an agreement on an exchange of journalists.

For the signing of the agreement, the first of its kind in Latin America, NOVOSTI was represented by its vice president, Eugenio Rumaniantcev. [name and title as published].

The agreement establishes that journalists from the two organization will visit Uruguay and the Soviet Union, and that the visits will last for at least 30 days. [passage omitted]

BUSQEDA's journalist will be able to observe the radical changes that have been taking place in the Soviet Union in the past five years, and a Soviet journalist will visit Montevideo to observe the organization and journalistic outlook of a Uruguayan paper.

Suriname

Bouterse Calls Coup 'Constitutional Intervention'

PA2912183890 Paris AFP in Spanish 1722 GMT 29 Dec 90

[Text] Paramaribo, 29 Dec (AFP)—The official press agency SNA reported today that Desi Bouterse, former chief of the Suriname Army, received a special adviser to Venezuelan President Carlos Andres Perez yesterday. The adviser had been sent to Suriname on an urgent mission to obtain firsthand information on the political events that occurred in Suriname on 24 December.

Lugo Turon, who was Venezuelan ambassador to Suriname for several years, expressed his country's concern over the ouster of former President Ramsewak Shankar, who was in power until Christmas Eve.

Bouterse said he understands the reaction of foreign countries like Venezuela, which might have interpreted the takeover in his country as being similar to coups d'etat in South America.

Bouterse said his assumption of power should not be considered a coup d'etat, but rather a "constitutional intervention." He urged Turon to also meet with National Assembly President Jaggernath Lachmon, and former Vice President Henck Arron.

Bouterse emphasized the importance that Suriname attributes to further development of its relations wiht Venezuela.

Turon said that he would immediately inform his government of the firsthand information that he had obtained. He asked Bouterse to continue his stabilizing role in Suriname's national interest.

Parliament Appoints President, Vice President

PA2912234790 Paris AFP in Spanish 2315 GMT 29 Dec 90

[Text] Paramaribo, 29 dec (AFP)—Johan Kraag, leader of the National Democratic Party (NPS), and Jules Wijdenbosch, of the opposition National Democratic Party (NDP), were appointed today provisional president and vice president, respectively.

Kraag and Wijdenbosch, who were unanimously elected by the parliament, assumed their posts in the Surinamese

Government after a military coup against civilian President Ramsewak Shankar on Christmas Eve.

Brunswijk Expresses Support for New President

FL3112125590 Bonaire Trans World Radio in English 1130 GMT 31 Dec 90

[Text] In Suriname, the rebel commander leader Ronny Brunswijk has expressed support for the new president, Johan Kraag. However, he did not support the way in which the Army took over the civilian government on Christmas Eve.

The Netherlands maintains its condemnation of that military takeover. Mr. Kraag has reportedly asked former military leader Colonel Desi Bouterse to return to the post that he resigned on 22 December.